

1 **BY AUTHORITY**

2 RESOLUTION NO. CR21-0153  
3 SERIES 2021

COMMITTEE OF REFERENCE:  
Finance & Governance

4 **A RESOLUTION**

5 **Approving and evidencing the intention of the City and County of Denver,**  
6 **Colorado to issue an amount not to exceed \$15,000,000 of Multifamily Housing**  
7 **Revenue Bonds for 8315 E. Colfax Ave.**

8 **WHEREAS**, the City and County of Denver, Colorado (the “City”) is a legally and regularly  
9 created, established, organized and existing home rule city, municipal corporation and political  
10 subdivision under the provisions of Article XX of the Constitution of the State of Colorado (the “State”)  
11 and the Home Rule Charter of the City (the “Charter”); and

12 **WHEREAS**, the City is authorized by its Charter, the County and Municipality Development  
13 Revenue Bond Act, constituting Article 3 of Title 29, Colorado Revised Statutes, as amended (the  
14 “Act”) and the Supplemental Public Securities Act, constituting Part 2, Article 57 of Title 11, Colorado  
15 Revised Statutes, as amended (the “Supplemental Public Securities Act”) to finance or refinance  
16 projects as defined in the Act to the end that residential facilities for low- and middle-income families  
17 or persons intended for use as the sole place of residence by the owners or intended occupants may  
18 be provided in order to promote the public health, welfare, safety, convenience and prosperity; and

19 **WHEREAS**, representatives of Mercy Housing Mountain Plains, a Colorado nonprofit  
20 corporation (such entity, together with one or more related affiliates or successors or assigns, are  
21 collectively referred to herein as the “Borrower”), have advised the City that the Borrower intends to  
22 acquire, construct, renovate, rehabilitate, improve and equip an approximately 82 unit affordable  
23 multifamily housing facility to be located at 8315 E. Colfax Avenue and 1500 Valentia Street in  
24 Denver, Colorado (the “Project”), subject to the City’s financing the acquisition, construction,  
25 renovation, rehabilitation, improvement and equipping of the Project through the issuance of the  
26 City’s multifamily housing revenue bonds in an amount not to exceed \$15,000,000; and

27 **WHEREAS**, the Project is located within the geographical boundaries of the City; and

28 **WHEREAS**, the Project will be known as 8315 E. Colfax Ave. (or such other name as  
29 determined by the Borrower); and

1           **WHEREAS**, the Borrower has represented to the City that the Project will qualify as a “project”  
2 within the meaning of the Act; and

3           **WHEREAS**, the City has considered the Borrower’s proposal and has concluded that the  
4 Project will provide affordable housing to low- and middle-income persons and families in the City  
5 and will promote the public health, welfare, safety, convenience and prosperity; and

6           **WHEREAS**, the City desires to indicate its intent to proceed with financing the Project through  
7 the issuance of the City’s multifamily housing revenue bonds;

8           **NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY AND COUNTY**  
9 **OF DENVER, COLORADO:**

10           **Section 1.** That in order to benefit the residents of the City and to induce the Borrower to  
11 undertake the Project, the City shall, subject to the provisions hereof, take all necessary and  
12 advisable steps to effect the issuance, in one or more series, of the City’s multifamily housing  
13 revenue bonds (the “Bonds”) pursuant to its Charter, the Act and the Supplemental Public Securities  
14 Act in the maximum aggregate principal amount of \$15,000,000 or such other amount as shall be  
15 determined and agreed upon by the Borrower and the City as may be necessary to finance the  
16 Project. The Bonds shall be special, limited obligations of the City payable solely from and secured  
17 by a pledge of revenues derived from and payable by the Borrower pursuant to the loan agreement  
18 with the City; the Bonds shall never constitute a debt, multiple fiscal year obligation or indebtedness  
19 of the City, the State or any political subdivision of the State within the meaning of any provision or  
20 limitation of the State Constitution or statutes and shall not constitute nor give rise to a pecuniary  
21 liability of the City or be a charge against the City’s general credit or taxing powers of, the City, the  
22 State or any county, municipality or political subdivision of the State. The Bonds shall not constitute  
23 a “multiple fiscal year direct or indirect debt or other financial obligation” of the City under Article X,  
24 Section 20 of the Colorado Constitution, nor shall the Bonds ever be deemed to be an obligation or  
25 agreement of any officer, director, agent or employee of the City in such person’s individual capacity,  
26 and none of such persons shall be subject to any personal liability by reason of the issuance of the  
27 Bonds.

28           **Section 2.** That the City hereby finds, determines, recites and declares that the issuance  
29 of the Bonds to finance the Project will provide affordable housing to low- and middle-income persons

1 and families in the City and will promote the public health, welfare, safety, convenience and  
2 prosperity.

3           **Section 3.** That the City hereby finds, determines, recites and declares the City’s intent that  
4 this Resolution constitute an official indication of the present intention of the City to issue the Bonds  
5 as herein provided, subject to: (a) the Borrower obtaining a commitment for the purchase of the  
6 Bonds on terms which are acceptable to the City, its municipal advisor and its Bond Counsel; (b) the  
7 delivery of an approving opinion of Bond Counsel to the City; (c) the delivery of an appraisal, survey,  
8 title insurance, environmental audit and plans and specifications which are all acceptable to the City;  
9 (d) the Borrower obtaining sufficient debt and equity financing acceptable to the City; (e) the  
10 Borrower receiving all applicable approvals for the Project from the City and County of Denver,  
11 Colorado and any other relevant governmental entity; (f) City approval of the design of the Project;  
12 (g) if the Bonds are sold on an unrated basis, the Bonds may only be purchased by qualified  
13 institutional buyers or accredited investors in denominations acceptable to the City; (h) the execution  
14 and delivery of indemnity agreements and payment or reimbursement of costs and expenses, all to  
15 the satisfaction of the City; (i) the Borrower agreeing to post issuance compliance policies and  
16 procedures acceptable to the City; and (j) the adoption of a final bond ordinance by the City. The  
17 City’s discretion to accept or not to accept items relating to the Project or additional financing  
18 therefore or relating to credit, security, sale or marketing aspects of the Bonds is intended for the  
19 protection of the City’s interests, and any such acceptance shall not be construed to impose upon  
20 the City any duties to, nor to confer any rights against the City upon, any bondholders, investors or  
21 other third parties.

22           **Section 4.** The City hereby awards \$15,000,000 of its private activity bond volume cap  
23 allocation (the “Allocation”) to the Project. The award of the Allocation shall expire one year from  
24 the date of this Resolution (the “Expiration Date”); provided, however, the Chief Financial Officer of  
25 the City’s Department of Finance or the Chief Housing Officer of the City’s Department of Housing  
26 Stability may extend the Expiration Date to a later date in their sole discretion.

27           **Section 5.** That no costs or expenses whether incurred by the City or any other party in  
28 connection with the issuance of the Bonds or the preparation or review of any documents by any  
29 legal or financial consultants retained in connection herewith shall be borne by the City. The City  
30 shall have the right to select and retain legal, financial and other consultants in connection with the  
31 proposed financing, and all fees, costs and expenses of such consultants, along with all other such

1 costs and expenses shall be paid from the proceeds of the Bonds or otherwise borne by the Borrower  
2 regardless of whether the Bonds are issued. The City may require such deposits or advances as it  
3 deems desirable for such fees, costs and expenses, and may require reimbursement of any such  
4 fees, costs and expenses paid by the City.

5 **Section 6.** That prior to any execution of a loan agreement, indenture of trust, bond  
6 purchase agreement, tax regulatory agreement or any other necessary documents and agreements  
7 in connection with such Bonds, such documents and/or agreements shall be submitted for approval  
8 to the City, and, if satisfactory to the City, their execution shall be authorized by ordinance of the City  
9 pursuant to law.

10 **Section 7.** That all public hearings scheduled and held in accordance with the Tax Equity  
11 and Fiscal Responsibility Act of 1982 (“TEFRA”) in connection with the issuance of the Bonds shall  
12 incorporate available and feasible innovative and inclusive technological solutions, subject to  
13 compliance with any applicable requirements under Section 147(f) of the Internal Revenue Code of  
14 1986, as amended, so that the public can continue to have fullest possible access to the TEFRA  
15 hearing.

16 **Section 8.** That the agreements of the City set forth above are expressly conditioned upon  
17 the ability and willingness of the City to issue the Bonds as tax-exempt obligations under the Code.  
18 Nothing contained in this Resolution shall be construed as requiring the City to issue the Bonds and  
19 the decision to issue the Bonds shall be in the complete discretion of the City.

20 **Section 9.** That if any section, paragraph, clause or provision of this Resolution shall for  
21 any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section,  
22 paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

23 **Section 10.** That all bylaws, orders, resolutions and ordinances, or parts thereof,  
24 inconsistent herewith and with the documents hereby approved, are hereby repealed to the extent  
25 only of such inconsistency. This repealer clause shall not be construed as reviving any bylaw, order,  
26 or ordinance or part thereof.

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1 COMMITTEE APPROVAL DATE: February 16, 2021 by Consent

2 MAYOR-COUNCIL DATE: February 23, 2021 by Consent

3 PASSED BY THE COUNCIL: \_\_\_\_\_

4 \_\_\_\_\_ - PRESIDENT

5 ATTEST: \_\_\_\_\_ - CLERK AND RECORDER,  
6 EX-OFFICIO CLERK OF THE  
7 CITY AND COUNTY OF DENVER

8 PREPARED BY: KUTAK ROCK LLP DATE: February 25, 2021

9 REVIEWED BY: Bradley T. Neiman, Assistant City Attorney

10 Pursuant to section 13-12, D.R.M.C., this proposed resolution has been reviewed by the Office of  
11 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed  
12 resolution. The proposed resolution is not submitted to the City Council for approval pursuant to  
13 § 3.2.6 of the Charter.

14 Kristin M. Bronson, Denver City Attorney

15 BY: \_\_\_\_\_, Assistant City Attorney DATE: \_\_\_\_\_