

ORDINANCE/RESOLUTION REQUEST

Date of Request: 3/9/2020

Please mark one: Bill Request or Resolution Request

1. Type of Request:

- Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment
 Dedication/Vacation Appropriation/Supplemental DRMC Change
 Other:

2. Title: Start with an active verb, i.e., **approves, amends, dedicates**, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, or supplemental request.

Amends a loan agreement with 2300 Welton, LLC to allow for administrative changes that support a refinancing.

3. Requesting Agency: Department of Housing Stability

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Megan Yonke	Name: Megan Yonke
Email: megan.yonke@denvergov.org	Email: megan.yonke@denvergov.org

5. General a text description or background of the proposed request, if not included as an executive summary.

See Executive Summary

6. City Attorney assigned to this request (if applicable):

Eliot Schaefer

7. City Council District: 9

****For all contracts, fill out and submit accompanying Key Contract Terms worksheet****

Key Contract Terms

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR20 0265

Date Entered: _____

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property): Loan Agreement

Vendor/Contractor Name: 2300 Welton, LLC

Contract control number: OEDEV-CE63028-07

Location: 2300 Welton, Denver, CO 80205

Is this a new contract? Yes No Is this an Amendment? Yes No If yes, how many? 7

Contract Term/Duration (for amended contracts, include existing term dates and amended dates):

5/2006 – 7/2057

Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Current Contract Amount</i> <i>(A)</i>	<i>Additional Funds</i> <i>(B)</i>	<i>Total Contract Amount</i> <i>(A+B)</i>
\$920,000	\$0	\$920,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
5/2006 – 7/2057		7/2057

Scope of work:

See Executive Summary.

Was this contractor selected by competitive process? N/A If not, why not?

Has this contractor provided these services to the City before? Yes No

Source of funds: N/A

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, DEN concession contracts): N/A

Who are the subcontractors to this contract? N/A

EXECUTIVE SUMMARY

In 2006, the City made a loan of HOME funds to Glenarm Residences, LLC, later assigned to 2300 Welton, LLC, to finance the acquisition of land at 2300 Welton Street for the construction of affordable housing units. In 2015, the borrower closed construction financing, including Low-Income Housing Tax Credit (LIHTC) equity, and began construction on a 223-unit affordable housing project. The project includes 212 units for households earning at or below 60% AMI and 11 units for households earning at or below 30% AMI.

2300 Welton, LLC is currently undergoing a refinancing of its permanent loan. The refinancing requires subordination of the City loan agreement to a new lender, which is not supported by the current contract. This amendment makes

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administrative changes that will authorize the HOST Executive Director, or his or her designee, to execute documents necessary to subordinate City closing documents. Because this is an older loan agreement, that authorizing language is missing from this loan agreement.

Additionally, the amendment will add standard HUD riders to the City's restrictive covenant. These riders are standard among the City's more recent housing financing contracts where the developer/owner has a permanent loan with HUD.

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