

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**.

****All fields must be completed.****

Incomplete request forms will be returned to sender which may cause a delay in processing.

Date of Request: 05/09/2011

Please mark one: Bill Request or Resolution Request

1. Has your agency submitted this request in the last 12 months?

Yes No

If yes, please explain:

2. Title: *(Include a concise, one sentence description – please include name of company or contractor and contract control number - that clearly indicates the type of request: grant acceptance, contract execution, amendment, municipal code change, supplemental request, etc.)*

A request approving a contract to sell the City's leasehold interests in 3821-3851 Steele Street to DFL-DS Corp., LLC.

3. Requesting Agency: Office of Economic Development

4. Contact Person: *(With actual knowledge of proposed ordinance/resolution.)*

- **Name:** Jeff Romine
- **Phone:** (720) 913-1526
- **Email:** Jeff.Romine@DenverGov.org

5. Contact Person: *(With actual knowledge of proposed ordinance/resolution who will present the item at Mayor-Council and who will be available for first and second reading, if necessary.)*

- **Name:** Seneca Holmes
- **Phone:** (720) 913-1533
- **Email:** Seneca.Holmes@DenverGov.org

6. General description of proposed ordinance including contract scope of work if applicable:

This contract approves the sale of the City's leasehold interest at 3821-3851 Steele St. to DFL-DS Corp., LLC. These properties are part of the larger development commonly referred to as the 38th & York Redevelopment Area. In addition to the sale of the leasehold interest, the City will also assign to DFL-DS Corp., LLC its rights under the 38th & York Redevelopment Area to collect Tax Increment Finance (TIF) proceeds.

*****Please complete the following fields:*** *(Incomplete fields may result in a delay in processing. If a field is not applicable, please enter N/A for that field.)*

- a. **Contract Control Number:** Not Assigned
- b. **Duration:** N/A
- c. **Location:** 3821-3851 Steele Street
- d. **Affected Council District:** Council Dist. 8
- e. **Benefits:** Recovers investments costs associated with the 38th & York Development
- f. **Costs:** + \$2.9 million

7. Is there any controversy surrounding this ordinance? *(Groups or individuals who may have concerns about it?)* **Please explain** None known

To be completed by Mayor's Legislative Team:

SIRE Tracking Number: _____

Date Entered: _____

Executive Summary

Purpose

To sell the City's leasehold interests in 3821-3851 Steele Street to DFL-DS Corp., LLC. and recover a portion of funds the City had loaned for the redevelopment of property located at 38th and York.

- The contract recipient: DFL-DS Corp., LLC.
- Proposed contract amount: \$2.9 million
- Term of the proposed contract start/end dates: TBD
- The contract control number: TBD

Background

Between 1999 and 2000 the City loaned approximately \$6.3 million to Inner City Development Corporation (ICDC) for the redevelopment of property located at 38th & York Street. In 2005 loans to ICDC went into default. In August of 2007 the City executed a Settlement Agreement with ICDC to convey all of ICDC's interest in the 38th and York Street property to the City in exchange for the City to forgo ICDC's loan obligations.

Since 2007 the City has actively sought to sell its interest in the 38th & York site. Recently, the City has negotiated terms with DFL-DS Corp., LLC to sell its remaining leasehold interests at 38th and York for \$2.9 million. The proceeds of the sale will be used to pay down the outstanding balance of a Section 108 Loan the City used for the redevelopment of 38th and York.

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