

# ORDINANCE/RESOLUTION REQUEST

Date of Request: 3/16/2020

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.

Approves a loan agreement with Kappa Tower II, LLLP for a \$700,000, cash-flow dependent soft loan to support construction of 70 units of affordable, senior housing in Stapleton.

## 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: Nick Emenhiser	Name: Nick Emenhiser
Email: <a href="mailto:Nicholas.Emenhiser@denvergov.org">Nicholas.Emenhiser@denvergov.org</a>	Email: <a href="mailto:Nicholas.Emenhiser@denvergov.org">Nicholas.Emenhiser@denvergov.org</a>

## 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):

Adam Hernandez

## 7. City Council District: 8

**\*\*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 0294

Date Entered: \_\_\_\_\_

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

Vendor/Contractor Name: Kappa Tower II, LLLP

Contract control number: OEDEV-201952502

Location: 9020 Northfield Boulevard, Denver, CO

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

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

5/2020 – 5/2080

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

<i>Current Contract Amount (A)</i>	<i>Additional Funds (B)</i>	<i>Total Contract Amount (A+B)</i>
\$700,000	\$0	\$700,000

  

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
5/2020 – 5/2080		5/2080

Scope of work:

See Executive Summary.

Was this contractor selected by competitive process? Yes  No  Project was awarded competitive tax credits by CHFA

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

Source of funds: Fund 16606 (General Funds)

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

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## EXECUTIVE SUMMARY

Colorado Housing and Finance Authority (CHFA) awarded this project highly-competitive 9% tax credits in 2018. As a non-profit housing developer, Kappa Housing Inc., will be able to build capacity and expertise through this project and further their mission to provide housing to seniors in need. The project is a 70-unit, age-restricted, elevator-served building located at the corner of Central Park Boulevard and Northfield Boulevard in Stapleton. The City's contribution of \$700,000 comes out to \$10,000 per unit. The land was donated by FC Brookfield, per the Stapleton Development Agreement. Other funders in this development include Colorado Division of Housing, as well as CHFA as senior lender, and deferred developer fee.

The unit mix is as follows, with no units covered by vouchers (tenants pay the full affordable rent):

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### PRODUCT MIX

Unit Type	30% AMI	40% AMI	50% AMI	60% AMI	Market
1BR/1BA	5	13	21	12	0
2BR/1BA	2	5	6	6	0
Total	7	18	27	18	0
% of Total	10.0%	25.7%	38.6%	25.7%	0.0%

*Context: 60% AMI for a single-person household is \$39,000, two-person household is \$44,580*

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