

DEDO ORDINANCE/RESOLUTION REQUEST

Date of Request: 9/7/21

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: Creates a \$500,000 performance loan between Denver Economic Development & Opportunity and Tepeyac QALICB, Inc. using U.S. Housing & Urban Development pandemic relief CDBG-CV funds to support the development of the Viña Project at 4725 High Street.

3. Requesting Agency: Denver Economic Development & Opportunity (DEDO)

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Tara Olden (720) 768-3772	Name: Susan Liehe 720-480-3481 (m)
Email: tara.older@denvergov.org	Email: susan.liehe@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): Brian Martin

7. City Council District: Citywide

Key Contract Terms

Type of Contract: (e.g. Professional Services > \$600K; IGA/Grant Agreement, Sale or Lease of Real Property):
Professional Services

Vendor/Contractor Name: Tepeyac QALICB, Inc.

Contract control number: OEDEV-202159171

Location: 4725 High Street, Denver 80216

Is this a new contract? Yes ☒ No ☐ Is this an Amendment? Yes ☐ No ☐ If yes, how many? 0

Contract Term/Duration (for amended contracts, include existing term dates and amended dates): 20 years

Scope of work: See Executive Summary for program elements.

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

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

Source of funds: CDBG-CV

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

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

July 1, 2021 through December 31, 2021

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>
\$500,000		

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
7/1/2021 – 12/31/2021		

EXECUTIVE SUMMARY

This funding contract relates to the affordable mixed-use development at Viña, located at 4725 High St. (48th and Race), an exciting first phase of a six-acre development that will deliver affordable housing, fresh food, and expanded healthcare to the Globeville and Elyria-Swansea neighborhoods. Nonprofit health provider Clínica Tepeyac will be the ground-level commercial space.

In 2016 DEDO granted Tepeyac Community Health Center (TCHC) a \$1,050,000 fifteen-year forgivable loan with CDBG funds that supported the acquisition of the ground-level portion of 4725 High St. Now as the project has secured its funding stack as shown below, DEDO is supporting the vertical development with \$500,000 of regular CDBG funds **as well as \$500,000 of CDBG-CV funds (the latter being this contract).**

Tepeyac QALICB, Inc. is an affiliate of Clínica Tepeyac, Inc. formed in 2020 as Tepeyac Qualified Active Low-Income Community Business, Inc.

FUNDING STACK

Northern Trust (Investor)	\$4,566,493
Capital Impact Fund (Senior Lender)	\$5,800,000
Gary Community Investment PRI	\$1,000,000
Colo. Growth & Revitalization Loan	\$920,000
Capital Campaign Cash (Internal)	\$3,774,840
This contract: DEDO – CDBG	\$500,000
Separate contract: DEDO – CDBG CV	\$500,000
TOTAL	\$17,061,333

Capital Impact Partners and Colo. Growth & Revitalization Fund are being funded via New Market Tax Credit mechanisms within the Tepeyac Qualified Active Low-Income Community Business (Tepeyac QALICB, Inc.).

With its support using both CDBG and CDBG-CV, the city will cover the closing fees and professional services fees incurred during the loan occurring in October 2021.