

# ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at [MileHighOrdinance@DenverGov.org](mailto: MileHighOrdinance@DenverGov.org) by **9:00a.m. on Friday**. Contact the Mayor's Legislative team with questions

Date of Request: 2/13/2024

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 *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, supplemental request, etc.)

Approves the loan agreement between the City and County of Denver and Columbine Towers Owner LLC, in the amount of \$10,000,000 to assist with the acquisition of one hundred seventy (170) affordable dwelling units, known as Columbine Towers (HOST-202472791).

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: Justin Hill	Name: Christopher Lowell
Email: <a href="mailto:Justin.Hill@denvergov.org">Justin.Hill@denvergov.org</a>	Email: <a href="mailto:Christopher.Lowell@denvergov.org">Christopher.Lowell@denvergov.org</a>

## 5. General description or background of proposed request. Attach executive summary if more space needed:

This request is for \$10,000,000 to assist with the acquisition of one hundred seventy (170) income-restricted units to be rented at prices affordable to qualifying households. Columbine Towers serves Seniors aged 55+ and individuals with disabilities. Columbine Towers is located at 1750 S. Federal Blvd in Southwest Denver.

Ulysses Development Group is requesting \$10,000,000 in combination of gap financing and acquisition funds from HOST in the form of a combination performance and repaying loan for this Preservation project. The overall loan amount will be split between a partial Performance Loan in the amount of \$3,750,000 meeting the maximum amount per the currently published term sheet, and the remaining \$6,250,000 will be in the form of a cash flow loan with a 1% interest rate and repayable from 25% of surplus cash flow, post-debt service, due annually beginning year 1. Approximately \$6.8M will be repaid from cash flow over the 30-year term and a balloon payment of approximately \$750K will be due upon maturity. Source of funding is a combination of Home Investment Partnership Funds, Skyline Funds, and General Funds

The project consists of a mix of 48 studios, 121 1-bedroom units, and 1 2-bedroom units. The rental and occupancy restrictions detailed below will be secured by a covenant that will be recorded against the property and will run with the land for a minimum of 60 years.

Unit Type	30% AMI	50% AMI	80% AMI	Total Units
Total	43	106	21	170
% of Total	25.3%	62.4%	12.4%	100.0%

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

*To be completed by Mayor's Legislative Team:*

Resolution/Bill Number: \_\_\_\_\_

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

7. **City Council District:**  
District 7

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

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

**Vendor/Contractor Name:**  
Columbine Towers Owner LLC

**Contract control number:**  
HOST-202472791

**Location:** 210 University Blvd., Suite 460, Denver, CO 80206

**Is this a new contract?**  Yes  No **Is this an Amendment?**  Yes  No **If yes, how many?**  n/a

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

1. Six Million Two Hundred Fifty Thousand Dollars and NO/100 (\$6,250,000.00) of the principal of the Loan (the “Cash Flow Portion”), plus any accrued interest on the Cash Flow Portion, shall be due and payable on the thirtieth (30th) anniversary of the date of the Promissory Note, if not paid sooner.
2. Three Million Seven Hundred Fifty Thousand Dollars and NO/100 (\$3,750,000.00) of the Loan (the “Performance Portion”) shall be a performance based, forgivable loan. No payments on the Performance Portion shall be required by Borrower to the City so long as Borrower is in compliance with all terms and conditions of this Agreement, the Deed of Trust, and the Covenant. Repayment of the principal balance of the Performance Portion, plus any accrued interest, shall be forgiven by the City on the sixtieth (60th) anniversary of the Promissory Note so long as Borrower has remained in compliance with the terms and conditions of this Agreement and all obligations hereunder and Borrower is in compliance with the Covenant.

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

<i>Current Contract Amount</i> (A)	<i>Additional Funds</i> (B)	<i>Total Contract Amount</i> (A+B)
\$10,000,000	N/A	\$10,000,000

  

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
See contract term/duration above	N/A	See contract term/duration above

**Scope of work:**

The project consists of one (1) fourteen-story elevator-served building. The building is of steel frame, brick veneer construction and was built/renovated in 1964/c.2000. Individual units contain tiled, vinyl and carpeted flooring, as well as blind coverings on windows. Overall, the building is well maintained, and apartments are updated or renovated as needed and upon turnover. The building is in average overall condition, with no signs of deferred maintenance.

**Was this contractor selected by competitive process?** N/A **If not, why not?** Gap financing for preservation

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

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**Source of funds:**

Home Program/Skyline Funds/General Funds

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

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

**Who are the subcontractors to this contract?** N/A

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