

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by **11 am on Monday**. Contact the Mayor's Legislative team with questions

Date of Request: 5/24/2023

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 a loan agreement between the City and County of Denver and Warren Village Inc. in the amount of \$3,810,000 to assist with financing the development of 89 affordable housing units, which will be known as Warren Village III (HOST-202368174).

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: Adam Lyons	Name: Sabrina Allie
Email: adam.lyons@denvergov.org	Email: Sabrina.Allie@denvergov.org

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

Warren Village III is an 89-unit mixed-use development campus consisting of eight 1-bedroom units, 62 2-bedroom units, and 19 3-bedroom units (21% of the project) located at 1390 West Alameda Ave., 1363 and 1373 West Nevada Ave., in the Athmar Park neighborhood. All Seventy-nine (79) units will target households that are experiencing, are at risk of experiencing, or exiting homelessness. The site in West Denver is provided via a ground lease through an award from the DHA Delivers for Denver (D3) program.

The project includes two buildings, one fronting Alameda Avenue (the North Building) which includes 79 units of supportive housing (89% of the project), and a second adjacent building fronting Nevada Place (the South Building) which contains 10 units serving residents at 50-60% area median income (AMI). The borrower will be required to house people with low, very low, and extremely low incomes as shown in the following table:

AMI	1 Bedroom	2 Bedroom	3 Bedroom	Total
30%	4	27	9	40
40%	0	0	0	0
50%	3	32	9	44
60%	0	4	1	5
Totals	7	63	19	89

The South Building includes an Early Learning Center, representing the first supportive housing development in Colorado to include an early learning facility onsite. The project also includes dedicated space allowing for a wide range of services in support of residents.

The project is the first affordable development in Denver to increase its density through a height increase consistent with the City's new Expanding Affordable Housing policy.

The rental and occupancy covenant securing the rental and occupancy restrictions will run with the land for 60 years.

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

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:
Warren Village Inc.

Contract control number:
HOST-202368174

Location:
1323 Gilpin Street, Denver, CO 80218

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):

HOST-202368174 Subject to the terms of this Loan Agreement, the City agrees to lend Borrower the sum of Three Million Eight Hundred Ten Thousand Dollars and No/100 (\$3,810,000.00) (the "Loan"). In addition to this Loan Agreement, the Borrower will execute a promissory note in a form satisfactory to the City evidencing this Loan (the "Promissory Note"). The Loan will mature and be due and payable on the 60th anniversary of the Promissory Note ("Maturity Date"), if not paid sooner. The outstanding principal balance of the Loan shall bear simple interest at a rate of 0% per annum until paid in full or forgiven in accordance with the terms hereof. Repayment shall be forgiven by the City on the Maturity Date so long as Borrower is in compliance with the terms and conditions of this Loan Agreement.

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

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
<i>(A)</i>	<i>(B)</i>	<i>(A+B)</i>
\$3,810,000	NA	\$3,810,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
The Loan will mature and be due and payable on the 60 th anniversary of the Promissory Note ("Maturity Date"), if not paid sooner. The outstanding principal balance of the Loan shall bear simple interest at a rate of 0% per annum until paid in full or forgiven in accordance with the terms hereof.	N/A	The Loan will mature and be due and payable on the 60 th anniversary of the Promissory Note ("Maturity Date"), if not paid sooner. The outstanding principal balance of the Loan shall bear simple interest at a rate of 0% per annum until paid in full or forgiven in accordance with the terms hereof.

Scope of work:

Warren Village III is an 89-unit mixed-use development/campus consisting of eight 1-bedroom units, 62 2-bedroom units, and 19 3-bedroom units (21% of the project). All Seventy-nine (79) units will target households that are experiencing, are at risk of experiencing, or exiting homelessness. The project includes two buildings, one fronting Alameda Avenue (the North Building) which includes 79 units of supportive housing. A second, adjacent building, fronting Nevada Place (the South Building) contains ten units serving households at 50-60% AMI. Including several higher-income units allows residents to increase their incomes as they progress through the Warren Village program without causing mandatory displacement.

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The site in West Denver is provided via a ground lease through an award from the DHA Delivers for Denver (D3) program. The project-concept consists of two buildings linked with a walking path. The North Building includes the main entrance where front desk staffing will be located as well as meeting areas, a printing/computer station for residents, and a library area. The first floor of the North Building includes a large classroom with a demonstration kitchen for cooking classes, community gatherings, and movable partition wall to host multiple meetings or classes for residents. The South Building will include a 100-child Early Learning Center for children from infant through elementary-aged after school care. The center will include an on-site kitchen, a large gross motor room, classrooms, and multiple age-specific outdoor playgrounds.

There is a bus stop in front of the North Building that serves bus routes 3 and 4. This bus stop is a five-minute bus ride from the Alameda Station that services light rail lines D, E, and H as well as bus routes 1, 3, 4, and 52.

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

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

Source of funds: Homeless Resolution Fund

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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