

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by 9 a.m. Friday. Contact the Mayor's Legislative team with questions

Please mark one: ☐ Bill Request or ☒ Resolution Request Date of Request: 10/15/25 _____

Please mark one: The request directly impacts developments, projects, contracts, resolutions, or bills that involve property and impact within .5 miles of the South Platte River from Denver's northern to southern boundary? (Check map [HERE](#))

☐ Yes ☒ No

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.)

Amends an agreement with Denver Dry Preservation, LLC to adjust interest rate from simple to annual compounding interest on a loan agreement related to an affordable housing development located at 1565 California Street. No change to agreement capacity or term, in Council District 10 (GE29015/HOST-202582299-05).

3. **Requesting Agency:** Department of Housing Stability

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution (e.g., subject matter expert)	Contact person for council members or mayor-council
Name: Melanie Davis-Campbell	Name: Polly Kyle
Email: melanie.davis-campbell@denvergov.org	Email: polly.kyle@denvergov.org

5. **General description or background of proposed request. Attach executive summary if more space needed:** (who, what, why)

Denver Dry Preservation LLC (the Borrower) is requesting an amendment to the existing Skyline loan that was assigned from Denver Building Housing Ltd. to Denver Dry Preservation LLC in July 2025 (the Loan), to adjust the interest from simple to annual compounding. This proposed amendment is necessary to allow the loan to comply with federal tax regulations related to assigned debt. The proposed amendment would a) adjust the interest calculation on the loan from simple to annual compounding and b) amend and restate the interest calculation effective as of the closing date of the fourth loan amendment (July 29, 2025).

At closing on the Denver Dry Preservation LLC LIHTC project, the assigned loan was given as consideration for property in the full value of the Loan of \$3,237,815. The tax credit partnership claimed LIHTC acquisition credits on the full value of the Loan, which generated \$1,035,997 in equity to the project. To claim acquisition credits on the full value of the Loan, the interest rate on the assigned loan was required to be greater than the Applicable Federal Rate, which is compounded annually. The interest rate in the existing Loan is calculated as bearing simple interest and therefore is not above the Applicable Federal Rate. If the interest rate is not adjusted to a compounding rate, the value of the Loan that can be used to claim tax credits must be discounted. The Loan would need to be discounted to an amount of \$790,852, which would only allow the partnership to claim \$275,189 in tax credit equity. The loss of \$760,808 in equity to the project is substantial and cannot be recouped through other sources. The Borrower is requesting this amendment to preserve the LIHTC equity to the project.

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

7. **City Council District:** 10

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

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property): Loan Agreement > \$500,000

Vendor/Contractor Name (including any dba's): Denver Dry Preservation, LLC

Contract control number (legacy and new): GE29015/HOST-202582299-05

Location: 1565 California Street, Denver, CO 80202

Is this a new contract? ☐ Yes ☒ No **Is this an Amendment?** ☒ Yes ☐ No **If yes, how many?** 5

Contract Term/Duration (for amended contracts, include existing term dates and amended dates):
July 30, 2025- July 1, 2085

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>
\$3,237,815	\$0	\$3,237,815

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
July 30, 2025-July 1, 2085	0	July 1, 2085 (no change)

Scope of work:

1. Adjust the interest calculation on the loan from simple to annual compounding
2. Amend and restate the interest calculation effective as of the closing date of the Fourth Amendment (July 29, 2025)

Was this contractor selected by competitive process? N/A

If not, why not?

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

Source of funds: Skyline

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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