

OED ORDINANCE/RESOLUTION REQUEST

Please mark one: Bill Request or Resolution Request Date of Request: 1/23/2019

1. Type of Request:

- Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment
 Dedication/Vacation Appropriation/Supplemental DRMC Change
 Other:

2. Title:

Amends a \$1,995,000 loan to Mile High Development, dba Sheridan Station Apartments LLC, to support the construction of 133 units of income-restricted housing at a wide range of income levels, including residents earning below 30% AMI and up to 60% AMI, in a transit-oriented development at 1079 Ames St. adjacent to the Sheridan light rail station.

3. Requesting Agency: Office of Economic Development

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Megan Yonke 720-913-1605	Name: Susan Liehe 720-913-1689
Email: megan.yonke@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):

Julie Mecklenburg

7. City Council District: 3

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

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR19 0078

Date Entered: _____

Key Contract Terms

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

Vendor/Contractor Name: **Sheridan Station Apartments LLC**

Contract control number: **OEDEV-201840082-01**

Location: **1079 Ames Street, Denver, CO 80214**

Is this a new contract? Yes No Is this an Amendment? Yes No If yes, how many? 1

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

2/1/2019 – 1/31/2058; 40 years affordability 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)
\$1,995,000	\$0	\$1,995,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
2/1/2019 – 1/31/2058		

Scope of work:

See Executive Summary.

Was this contractor selected by competitive process? Yes (competitive application for 4% + State Low Income Housing Tax Credits allocated by CHFA; competitively underwritten for funding by OED) **If not, why not?**

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

Source of funds: 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

This request is to amend a loan of \$1,995,000 (\$15,000/unit) in general funds to provide construction and permanent financing on a 133-unit affordable apartment community located at 1079 Ames Street in the Villa Park neighborhood of Denver. *This amendment adds no additional funds to the contract. The loan is structured as a surplus cash flow loan with a 40-year term, and recent changes to the definition of surplus cash flow necessitate a change to Exhibit E of the existing loan agreement.*

The borrower is leasing the land from the Urban Land Conservancy for 99 years, ensuring very long-term affordability. The subject site measures 26,510 square feet (0.61 acre) and will be improved with an eight-story building containing a total of 133 apartment units (218 units/acre). Of the 133 units, five will be for tenants at or below 30% of AMI, eight units will be for tenants at or below 40% AMI, and 120 will be for tenants at or below the 60% AMI.

The primary developer on this project is Mile High Development. OED has worked with this team on three other projects: Yale Station Apartments, University Station Apartments, and Ash Street Apartments.

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