

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by **11:00am on Monday**. Contact the Mayor's Legislative team with questions

Date of Request: 3/8/2023

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.)

Amends a contract with Northfield Flats, LLC, by adding two years to the maturity date of the original loan term. The requested change indreases the loan term from 18 years to 20 years. (Base contract #HOST-202264595. Proposed contract #HOST-202264595-01.

3. Requesting Agency: Department of Housing Stability (HOST)

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: Jack Wylie
Email: adam.lyons@denvergov.org	Email: jack.wylie@denvergov.org

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

The purpose of this resolution is to request a change to the maturity date of the HOST loan to Northfield Flats. On June 2, 2022, the Loan Review Committee (LRC) approved a loan to Northfield Flats, LLC, with an 18-year maturity and City Council approved the loan agreement on Dec. 13, 2022. The term was initially set at 18 years so that the City loan would mature six months after the senior permanent loan provided by Key Bank, which is utilizing a Fannie Mae loan product. All Fannie Mae loan products require subordinate debt to mature no earlier than six months after the term of their loan. At the time of both LRC and City Council approval, the Key Bank loan commitment had a term of 15 years with a 30-month forward commitment, so setting the City at 18 years was in line with the Fannie Mae requirement. However, the senior permanent loan as finalized now carries a 16-year maturity and a 36-month forward commitment. As a result, the City loan now conflicts with the Freddie Mac regulations, which requires extending maturity of the City loan. To provide some flexibility in the HOST loan maturity, the developers have requested amending the loan agreement to revise the term from 18 years to 20 years.

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

7. City Council District: 8

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: _____

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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: Northfield Flats, LLC

Contract control number: HOST-202264595-01

Location: 90 Madison Street, Suite 101, Denver, CO 80206

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):

HOST-202264595 18 year maturity term

Amendment #1 HOST-202264595-01 20 year maturity term

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)
\$4,515,000	0	\$4,515,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
18 year maturity term	2 years	20 year maturity term

Scope of work:

To change the maturity of the loan agreement from 18 years to 20 years to align with senior lender requirements

Was this contractor selected by competitive process? No

If not, why not? N/A

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

Source of funds: Affordable Housing Property Tax 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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