

OED ORDINANCE/RESOLUTION REQUEST

Please mark one: Bill Request or Resolution Request Date of Request: 3/11/19

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 with 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: Denver 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):

Adam Hernandez

7. City Council District: 3

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

Key Contract Terms

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR19 0244

Date Entered: _____

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-201840082-02

Location: 1079 Ames Street, Denver, CO 80205

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

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

3/1/2019 – 1/1/2061; 40 years affordability covenant

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

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

To be completed by Mayor's Legislative Team:

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Date Entered: _____

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 and is an administrative correction, adding crucial legal language allowing investors to cure any City default. The loan is structured as a surplus cash flow loan with a 40-year term.

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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