

ORDINANCE/RESOLUTION REQUEST

Date of Request: 11/12/19

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:** Approves a \$3,675,000 loan to ECLT INCA COMMONS, LLC to support the construction of 92 units of income-restricted for-sale housing for residents earning less than 80% of area median income, affordable for 99 years through land lease with the Elevations Community Land Trust, in the Lincoln Park neighborhood.

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: 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):** Kwali Farbes

7. **City Council District:** 3

Key Contract Terms

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

Vendor/Contractor Name: ECLT INCA COMMONS, LLC

Contract control number: OEDEV-201951256

Location: 603 N. Inca Street, Denver, CO 80204

Is this a new contract? Yes No Is this an Amendment? Yes No If yes, how many? N/A

Was this contractor selected by competitive process? N/A

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

Source of funds: Dedicated fund (property tax)

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

EXECUTIVE SUMMARY

This request is for \$3,675,000 in dedicated fund property tax revenues (\$39,946 per unit) to provide construction financing on 92 affordable for-sale condominium homes located in the Lincoln Park neighborhood of Denver. This request is being structured as a performance loan, forgiven after 99 years. The 92 homes will be restricted for 99 years, to be secured by land lease with the Elevation Community Land Trust and a 99-year deed of trust on the land. The units will be restricted to buyers at or below 80% AMI. Sixty-four of the units (69.6%) will be studio units, twenty-four (26.1%) will be two-bedroom units, and four (4.3%) will be three-bedroom units. The City will require that at least 30% of the units will be pre-sold in order to close on the City's loan.