

OFFICE OF ECONOMIC DEVELOPMENT:
3330 Brighton LLC.

Business, Workforce & Sustainability
July 24, 2013



DENVER
THE MILE HIGH CITY

OED Ordinance Request

- Approve \$1 million land acquisition loan to 3330 Brighton Blvd LLC (Zeppelin) for future development.
 - Council Approval
- Includes repayment to City of \$6 million Section 108 loan for TAXI Drive

OED TAXI Investment

- OED has invested \$8.9M in the TAXI Development since 2006

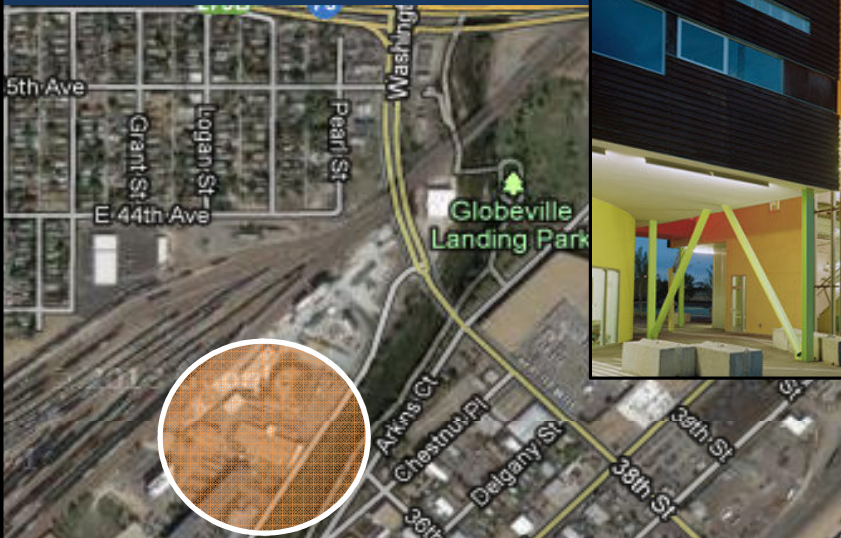
Project	Closing Date	Source	Loan amount	Current Balance	Maturity
TAXI II	12/2006	CDBG	\$450,000	\$0	Paid - 04/2012
TAXI DRIVE	08/2008	Section 108	\$6,000,000	\$6,000,000	To be paid- 8/2013
TAXI DRIVE	08/2008	BEDI Grant	\$2,000,000	\$1,091,989	Forgivable grant- 8/2013
Freight on the River	05/2010	CDBG	\$450,000	\$ 421,246	06/2027

TAXI

DRIVE



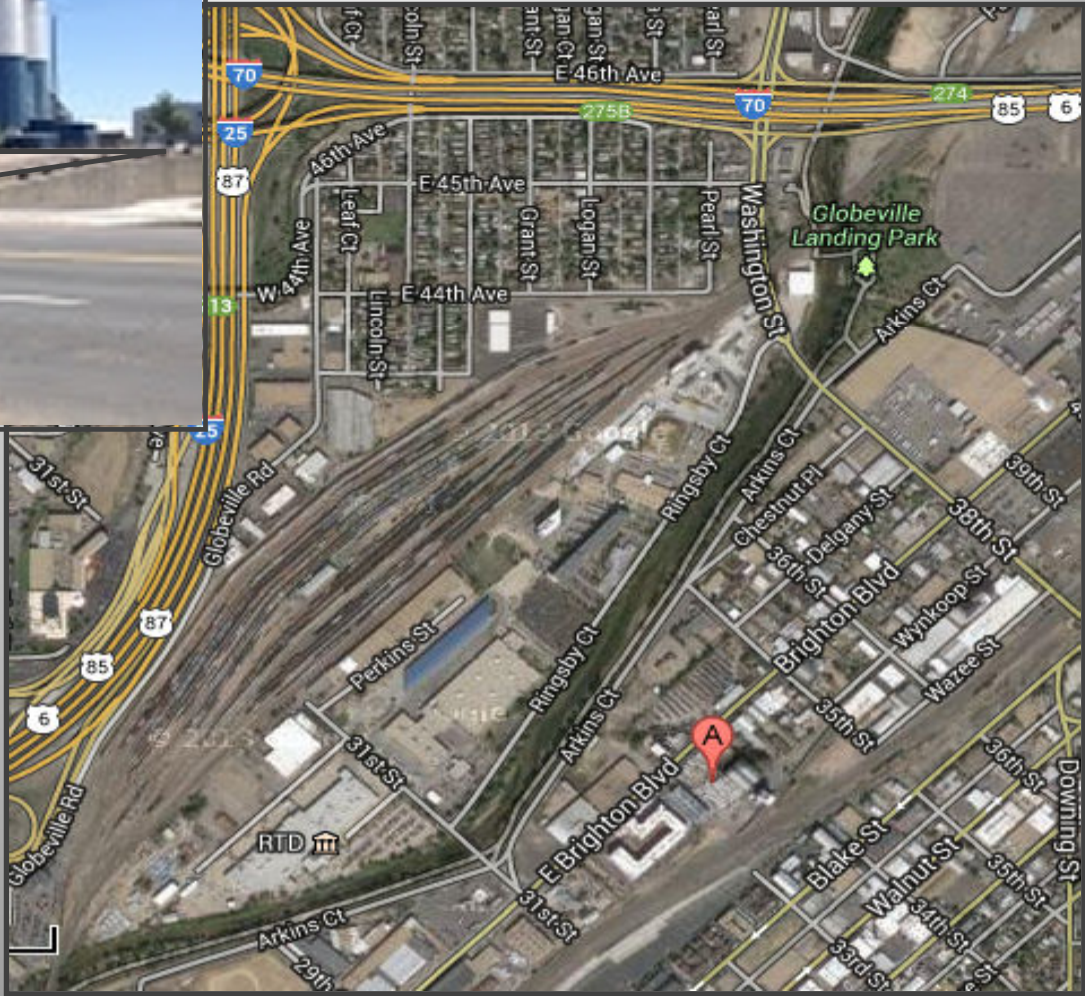
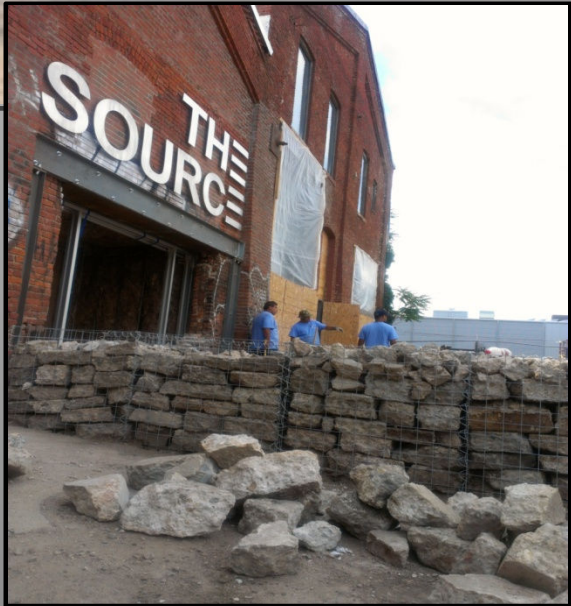
TAXI II



TAXI Development



3330 Brighton Blvd.



3330 Brighton Blvd.

Site Challenges

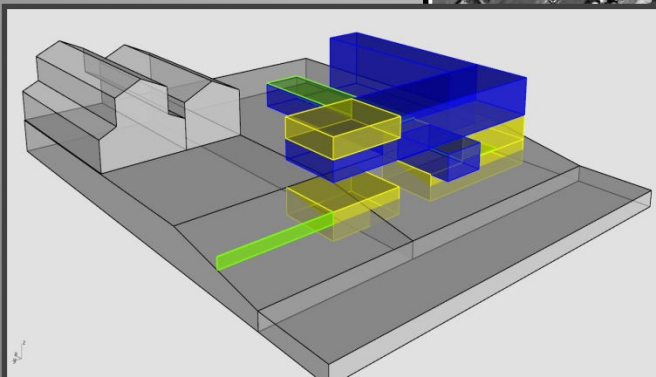
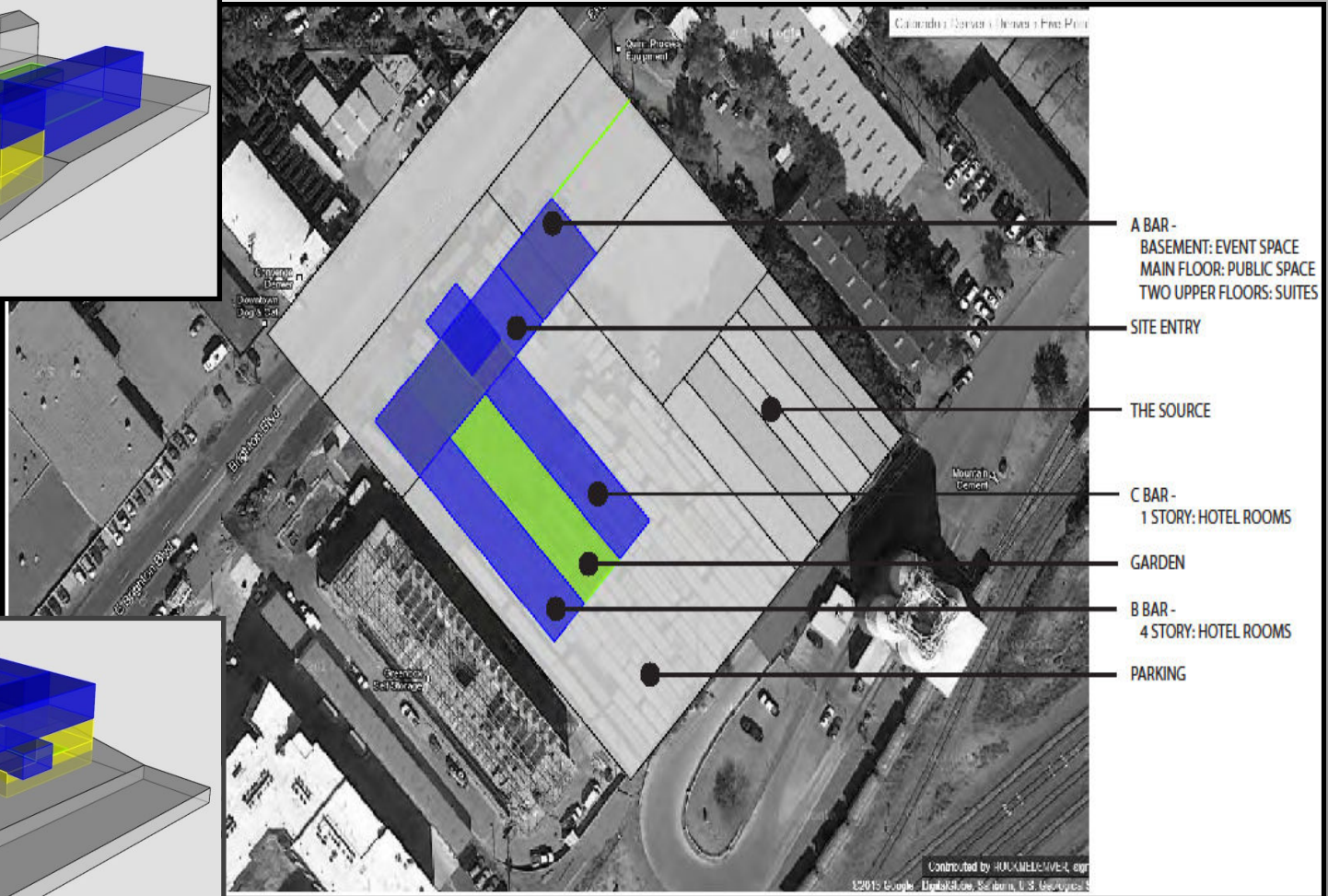
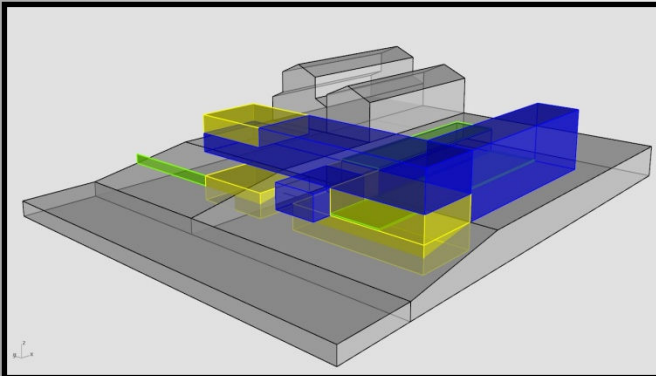
- Lacks basic infrastructure and streetscape improvements
- Previously used as an urban camping site

Proposed Use

- Initially used for parking to support the adjacent Source development
- Within 2 years the property will undergo development into a site-wide concept for retail production and public plaza
- Consideration of hotel development

Brighton Boulevard Corridor specifically called as focus area of investment in
OED's JumpStart 2013 Strategy

3330 Brighton- Hotel Concept



OED Loan Proposal

Loan Terms

- \$1M for land acquisition of 3330 Brighton Blvd.
- Maturity 3 years from closing
- 3% interest rate
- \$2,500 interest only monthly payments or annual \$30,000

Collateral

- Subordinate Deed of Trust on property acquired
 - OED behind private bank for \$1.65M
 - Property must be appraised for minimum of \$2.65M before closing
- Personal guarantee of Mickey & Kyle Zeppelin

OED Loan Proposal

Closing contingent on following conditions:

- Pay-off of the \$6M HUD Section 108 loan
- Submittal of slum and blight study for 3330 Brighton Blvd.
- Appraisal of at least \$2.65M for property being acquired
- Submittal of Phase 1 environmental report

Condition prior to 2 years after closing:

- Evidence that development of expanded retail production facility and/or hotel has commenced.