

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**.

All fields must be completed.

Incomplete request forms will be returned to sender which may cause a delay in processing.

Date of Request: **10/24/16**

Please mark one: Bill Request or Resolution Request

1. Has your agency submitted this request in the last 12 months?

Yes No

If yes, please explain:

2. Title: *(Include a concise, one sentence description – please include name of company or contractor and contract control number - that clearly indicates the type of request: grant acceptance, contract execution, amendment, municipal code change, supplemental request, etc.)*

Creates a loan agreement between the Denver Office of Economic Development and Sable Ridge Apartments LLC for \$1,000,000 of Skyline HSG funds (previously disbursed under a separate loan agreement) for the construction of 60 senior affordable apartments.

3. Requesting Agency: Office of Economic Development

4. Contact Person: *(With actual knowledge of proposed ordinance/resolution.)*

- **Name:** Julie Stern
- **Phone:** 720.913.1605
- **Email:** julianne.stern@denvergov.org

5. Contact Person: *(With actual knowledge of proposed ordinance/resolution who will present the item at Mayor-Council and who will be available for first and second reading, if necessary.)*

- **Name:** Susan Liehe
- **Phone:** 720.913.1689
- **Email:** susan.liehe@denvergov.org

6. General description of proposed ordinance including contract scope of work if applicable:

Creates loan agreement, OEDEV-201629086, between the Denver Office of Economic Development and Sable Ridge Apartments LLC for \$1,000,000 of Skyline HSG funds (previously disbursed under a separate loan agreement) for the construction of 60 senior affordable apartments. The project, known as Sable Ridge Apartments, will provide low/moderate income housing for people age 55 and older, to include 60 units that will be restricted for 40 years to tenants at or below 60% AMI.

****Please complete the following fields:** *(Incomplete fields may result in a delay in processing. If a field is not applicable, please enter N/A for that field.)*

- a. **Contract Control Number:** OEDEV-201629086
- b. **Duration:** 40 years
- c. **Location:** 4203 N Chambers Road, Denver, CO 80239
- d. **Affected Council District:** 11
- e. **Benefits:** Affordable housing
- f. **Costs:** none (\$1,000,000 of Skyline HSG funds have already been disbursed)

7. Is there any controversy surrounding this ordinance? *(Groups or individuals who may have concerns about it?)*

Please explain.

None known.

To be completed by Mayor's Legislative Team:

SIRE Tracking Number: _____

Date Entered: _____

ORDINANCE/RESOLUTION REQUEST

Executive Summary

Purpose: New affordable housing project loan.
Contract Entity: Sable Ridge Apartments LLC
Contract Control Number: OEDEV - 201629086
Contract Amount: \$1,000,000
Program: Skyline HSG
Location: 4203 N Chambers Road, Denver, CO 80239

Description: This resolution approves a new loan agreement with Sable Ridge Apartments LLC to develop an affordable housing project known as Sable Ridge Apartments. The project will provide 60 units of low/moderate income housing to residents aged 55 and older. These units will be restricted to residents earning 60% AMI or below for 40 years. The property is served by bus routes 121 and 42, which provide convenient and high-frequency access to the new light rail station at 40th & Airport.

This new loan agreement represents a partial assumption of an outstanding loan of \$1,381,106.23 plus accrued interest to Sable Ridge Development LLC, the managing partner of Sable Ridge Apartments LLC. The outstanding loan was used to finance the acquisition of the site. Previous amendments to the existing loan agreement provided for the deferral of loan repayment until the project was able to secure Low Income Housing Tax Credits (LIHTC), and contemplated that repayment terms would be confirmed upon the allocation of LIHTC. The project has now secured 4% LIHTC as well as the remainder of financing needed for construction, and is ready to begin repayment.

The loan will be structured as a 40-year loan at a 2% interest rate, with payments based on 58.8% of cash flow from the improvement to be built on the property. Repayment terms for the remaining balance of the outstanding loan (\$381,106.23 plus accrued interest) are included in a new amendment to the existing loan. The new loan will be secured by a subordinate deed of trust on the property and improvements.

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