

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: August 19, 2013

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.)*

City's Office of Economic Development is seeking approval of loan request for \$1,000,000 to Industry Denver, LLC to aid in acquisition and development of the Industry office development.

3. Requesting Agency: Office of Economic Development

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

- **Name:** Adam Hernandez
- **Phone:** (720) 913-8758
- **Email:** Adam.Hernandez@denvergov.org

- **Name:** Paul Bunyard
- **Phone:** (720) 913-1629
- **Email:** paul.bunyard@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:** Seneca Holmes
- **Phone:** (720) 913-1533
- **Email:** seneca.holmes@denvergov.org

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

OED seeks approval for a loan to Industry Denver, LLC in the amount of \$1M to be used for land acquisition at 3001 Brighton Blvd. The property will be developed into Industry, a 120,000 square foot office building catering to creative and technology based companies. The property will hold 2-3 cornerstone companies, mid-sized users and numerous sole proprietors and boutique firms. The building is designed to accommodate 2 restaurants. OED estimates Industry will generate over 400 jobs.

*****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:** TBD
- b. **Duration:** Loan to be fully repaid in approximately five years
- d. **Affected Council District:** 9
- e. **Benefits:**
 - Project will be located on a key intersection entering into a City's focus redevelopment area along Brighton Blvd.
 - Project will create development and in turn bring jobs to currently underperforming parcels.
- f. **Costs:** OED will loan \$1,000,000 towards the total project costs. Loan is to be fully paid over a period five years.

7. Is there any controversy surrounding this ordinance? *None known*

To be completed by Mayor's Legislative Team:

SIRE Tracking Number: _____

Date Entered: _____

Executive Summary:

Ordinance Request: Industry Denver, LLC

Background

The proposed project is currently a two building warehouse property located at 3001 Brighton BLVD., 3063 Brighton BLVD., 1855 29th Street, and 2800 Arkins St. The subject property consists of four parcels that total 268,351 square feet (6.16 acres) of land area. The two existing warehouse properties are currently unoccupied and comprised of 125,850 square feet of gross building area.

The borrower is under contract to acquire all four parcels and intends to renovate the existing buildings and convert them to a mixed-use development with multi-tenant open office space and restaurant units. The office area will feature a diverse mix of unit sizes, with substantial common work area for use by all tenants of the building. Construction is planned to begin late 2013

Recommendation:

Request: OED for a \$1.0 million loan.

Purpose: To finance a portion of the acquisition of the largest parcel (i.e. 3403 Brighton Blvd.) being acquired for the expansion project (three other parcels being purchased: two to be funded by the bank and one to be acquired in cash by Great Divide Brewing Co. due to some minor contamination and will need to be cleaned up before any new development occurs).

Terms: Ten years (10 years)

Amortization: Twenty-five (25) years

Rate: 4% p.a.

Primary Repayment: Great Divide Brewing Company's (operating company) cash flows

Secondary Source: Liquidation of assets (i.e. real properties)

Funding Source: CDBG/RLF

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