

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by **9:00am on Friday**. Contact the Mayor's Legislative team with questions

Date of Request: 5/21/2024

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:** (Start with *approves*, *amends*, *dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Approves the loan agreement between the City and County of Denver and 2915 Welton Development, LLC in the amount of \$3,360,000 to assist with the financing and construction costs associated with the development of sixty-two (62) income-restricted homeownership units (HOST-202474078).

3. **Requesting Agency:** Department of Housing Stability

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Alex Marqusee	Name: Christopher Lowell
Email: Alexander.Marqusee@denvergov.org	Email: Christopher.Lowell@denvergov.org

5. General description or background of proposed request. Attach executive summary if more space needed:

Shanahan Development LLC is requesting \$3,360,000 in Linkage fee funds for a sixty-two (62) homeownership development project. All sixty-two units will be income restricted and sold at prices affordable to qualifying households. The project will be located at 2907-2915 Welton St.

The Proposed affordable condominium project by Shanahan Development and Elevation Community Land Trust (ECLT) is in the Five Points/Curtis Park neighborhood. This development partnership won a competitive solicitation to purchase the project from RTD which required 'permanent affordability' through a covenant. The project includes 62 visitable units, 7 of which are also accessible for persons with mobility impairment and 3 of which are designed for persons with sensory impairments. ECLT will lease the land and community space to the homeowner's association on a renewable 99-year land lease. All units will be sold to households at or below 80% of the Area Median Income.

The project will be developed by 2915 Welton Development, LLC a wholly owned subsidiary of Shanahan Development LLC. Upon construction completion and receipt of the Certificate of Occupancy, the land and improvements will be sold in entirety to ECLT or a wholly owned subsidiary. The loan agreement, promissory note, and deed of trust will be assigned to that same entity, who will assume all responsibilities under the loan agreement including the requirement to sell the units to qualified homebuyers.

The borrower will be required to house people with low/moderate incomes as shown in the table below. The affordability restrictions listed below will be secured by an ECLT land lease that will be recorded against the property and will run with the land for a minimum of 99 years.

Unit Size	Number of Units	Affordability Level
1 Bedroom	25	80% AMI
2 Bedroom	16	80% AMI
3 Bedroom	21	80% AMI
Total	62	80% AMI

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

6. **City Attorney assigned to this request (if applicable):**
Eliot Schaefer

7. **City Council District:**
District 9

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

Key Contract Terms

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

Vendor/Contractor Name:
2915 Welton Development, LLC

Contract control number:
HOST-202474078

Location: 13900 Crabapple Rd, Golden, CO 80401

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

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

Maturity is 60 months following the closing of the Loan (“Maturity”); provided, however, that the loan will be forgivable on the maturity date if the property has maintained compliance and affordability requirements.

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

<i>Current Contract Amount</i> (A)	<i>Additional Funds</i> (B)	<i>Total Contract Amount</i> (A+B)
\$3,360,000	N/A	\$3,360,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
See contract term/duration above	N/A	See contract term/duration above

Scope of work:

Loan funds will be used for hard and soft construction costs.

Was this contractor selected by competitive process? N/A **If not, why not?** Gap financing for development

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

Source of funds:

Linkage Fee

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Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts): N/A

Who are the subcontractors to this contract? N/A

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