

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: July 8, 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.) **Obtain a contract for a \$1.0 million loan funded by Skyline to be provided to 3330 Brighton Blvd. LLC (real estate development entity established by Mickey and Kyle Zeppelin).**

3. Requesting Agency: Office of Economic Development

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

- Name: Theresa Mendoza
- Phone: 720-913-1616
- Email: Theresa.Mendoza@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:

Seek approval of a \$1.0 million acquisition loan requested by 3330 Brighton Blvd., LLC which will initially be a parking lot along the Brighton corridor and within 2 years commence a development of a possible expanded retail/production facility like the “Source” with a hotel component or other feasible project(s) to help revitalize the Brighton corridor.

***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: September 2013 – September 2016 (three years)
- c. Location: 3330 Brighton Blvd.
- d. Affected Council District: 9
- e. Benefits: Elimination of Slum/Blight
- f. Costs: Total project cost of \$2.650 million for the Brighton Blvd. project of which OED will fund \$1.0 million leverage by a private bank’s loan of \$1.650 million. However, as a condition to this requested loan, the developers (i.e. Zeppelins) will pay-off an existing \$6.0 million HUD Section 108 loan which funded the Taxi III/Drive project.

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

No known controversy.

To be completed by Mayor’s Legislative Team:

SIRE Tracking Number: _____

Date Entered: _____

EXECUTIVE SUMMARY

Ordinance Request: **3330 Brighton Blvd., LLC**

Background:

A real estate development entity has been established by a partnership between Mickey and Kyle Zeppelin to acquire a parcel of land along Brighton Blvd. to initially have a parking lot and within two years will commence a future development of either a larger scale expanded retail/production facility with a hotel component or other feasible project(s) to help with the revitalization of the Brighton corridor.

The Zeppelins have requested a \$1.0 million loan to be funded by Skyline to finance a portion of the total project cost of \$2.650 million including a \$2.350 million real estate acquisition, start-up costs, bank fees, ROW improvements and interest reserves.

Recommendation:

OED seeks City Council approval for the requested loan with the following terms and conditions as presented and approved by OED's Loan Review Committee on June 12, 2013:

Loan Amount:	\$1.0 million
Funding Source:	Skyline
Term:	Three years (September 2013 to September 2016)
Interest rate:	3% p.a.
Payments:	Monthly interest only payments of \$2,500/month or \$30,000/year commencing on the 1 st day of the month following the execution of the promissory note.
Collateral:	2 nd Deed of Trust on the real property known as 3330 Brighton Blvd. with permissible prior encumbrances of \$1.650 million.
Guaranty:	Mickey Zeppelin and Kyle Zeppelin will personally guarantee the loan.
National Objective:	Elimination of slum/blight
Conditions:	Prior to or at loan closing: (1) Pay-off the HUD Section 108 loan for \$6.0 million which financed the Taxi III (Drive) Phase 1 project (2) Submittal of the slum/blight study of 3330 Brighton Blvd. Prior to or end of the two years after OED funding: Evaluation/assessment that the proposed development project would have commenced on the acquired real property

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