

ORDINANCE/RESOLUTION REQUEST

Date of Request: 8/3/2020

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 an active verb, i.e., **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, or supplemental request.

Amends the City's loan agreement with Sheridan Station Apartments, LLC, a soon-to-be completed 133-unit affordable rental project, so that the Colorado Housing and Finance Authority can complete its planned Land Use Restriction Agreement for the project with the City's recorded covenant in a subordinate position.

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: Megan Yonke	Name: Megan Yonke
Email: megan.yonke@denvergov.org	Email: megan.yonke@denvergov.org

5. General a text description or background of the proposed request, if not included as an executive summary.

See Executive Summary

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

Eliot Schaefer

7. City Council District: 3

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

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR20 0801

Date Entered: _____

Key Contract Terms

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

Vendor/Contractor Name: Sheridan Station Apartments LLC

Contract control number: OEDEV-201840082-03

Location: 1079 Ames Street, Denver, Colorado

Is this a new contract? Yes No Is this an Amendment? Yes No If yes, how many? 3

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

12/13/2018 – 12/12/2058

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

<i>Current Contract Amount (A)</i>	<i>Additional Funds (B)</i>	<i>Total Contract Amount (A+B)</i>
\$1,995,000	\$0	\$1,995,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
12/13/2018 – 12/12/2058		12/12/2058

Scope of work:

See Executive Summary.

Was this contractor selected by competitive process? N/A If not, why not?

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

Source of funds: N/A

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

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

Who are the subcontractors to this contract? N/A

EXECUTIVE SUMMARY

On December 13, 2018, the city executed a loan agreement authorizing a \$1,995,000 loan for the development of Sheridan Station Apartments, a 133-unit project affordable to rental tenants at or below 60% of the area median income. The construction is almost completed on this project, and the borrower will soon be ready to begin leasing units.

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Due to the upcoming leasing, the developer is required to submit a "Placed in Service Application" to the Colorado Housing and Finance Authority (CHFA). This application provides information CHFA needs to finalize and record its planned Land Use Restriction Agreement (LURA) for the project.

The recording of the LURA allows the project's investor to claim tax credits for units soon occupied. Our recorded covenant will need to be subordinated to CHFA's LURA. The city's original loan agreement does not authorize the subordination of the city's recorded covenant to CHFA's LURA, and thus requires the requested amendment.

There is no change in loan duration or financial impact to this amendment.

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Resolution/Bill Number: RR20 0801

Date Entered: _____