

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: 4/18/2016

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.).* Amends the contract to the existing OED loan provided in 2014 to Colorado Health & Science Ecosystem, LLC (Contract Control # OEDEV-201417263-00). The original loan amount of \$1 million funded a portion of the real estate acquisition of 3825 Lafayette Street in Denver, but due to a changed in the partnership structure and design/permitting process which resulted in the delay of the project development, the loan agreement is being amended.

3. **Requesting Agency:** Office of Economic Development

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

- **Name:** Jeff Romine
- **Phone:** (720) 913-1546
- **Email:** jeff.romine@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:**

OED provided a \$1M to Colorado Health & Science Ecosystem, LLC in 2014 to fund a portion of the real estate acquisition located at 3825 Lafayette to develop and create a health tech collaborative office and mixed-use development. Due to a changed in the partnership structure and design/permitting process which resulted in the delay of the project development, the borrower has requested to amend the following in order to proceed and complete the development: (1) release two of the personal guarantors, (2) extend the deadline date to create the required 29 jobs from Oct. 2016 to July 2017, and (3) exchange the loan collateral from the current 3825 Lafayette Deed of Trust to a new Deed of Trust on 621 Kalamath Street. **These contract changes do not diminish OED's security position with respect to this project or this loan.**

***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-201417263-00
- b. **Duration:** September 19, 2014 to October 1, 2019
- c. **Location:** 3825 Lafayette Street, Denver, CO 802015
- d. **Affected Council District:** 8
- e. **Benefits:** Creation of twenty-nine (29) new full time employees through July 2017 of which 51% are to

- f. **Costs:** low/moderate income individuals with a potential of more employment opportunities. OED's participation of \$1 million to a total project cost of \$55.2 million including the real estate acquisition, construction and other related expenses to the project development.

7. **Is there any controversy surrounding this ordinance?** (*Groups or individuals who may have concerns about it?*)
Please explain: No.

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Executive Summary

- Purpose:** Request for approval of an amendment to an existing OED loan provided in September 2014 to Colorado Health & Science Ecosystem, LLC in the original amount of \$1.0 million which funded a portion of the real estate acquisition of 3825 Lafayette Street in Denver to develop and create a health tech collaborative office and mixed use development.
- Contract Entity:** Colorado Health & Science Ecosystem, LLC
- Contract Control Number:** OEDEV-201417263-00
- Contract Amount:** \$1,000,000
- Program:** CDBG/ Revolving Loan Fund
- Location:** 3825 Lafayette Street, Denver, CO 80005
- Description:** The development project has been delayed due to a change in the partnership structure and design/permitting approval process. In order to proceed and complete the development project, the borrower has requested to amend the following issues:
- (1) Release two personal guarantors: Sean Michael Campbell and Joshua James Marinos.
 - (2) Extend the deadline date to create the required 29 new permanent full-time employees, of which 51% are to be low/moderate income individuals.
 - (3) Exchange the loan collateral from the current Deed of Trust on 3825 Lafayette Street to a new Deed of Trust on 621 Kalamath Street in Denver, with permissible prior encumbrances of \$3.5 million.

These contract changes do not diminish OED's security position with respect to this project or this loan.