

ORDINANCE/RESOLUTION REQUEST

Please mark one: ☐ Bill Request or ☒ Resolution Request Date of Request: 5/4/2020

1. Type of Request:

- ☒ Contract/Grant Agreement ☐ Intergovernmental Agreement (IGA) ☐ Rezoning/Text Amendment
☐ Dedication/Vacation ☐ Appropriation/Supplemental ☐ DRMC Change
☐ Other:

2. Title: Amends the City's loan agreement with Marycrest Apartments LLC, a recently completed 65-unit affordable rental project, so that the Colorado Housing and Finance Authority (CHFA) can complete its planned Land Use Restriction Agreement (LURA) 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: 1

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

Key Contract Terms

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR20 0449

Date Entered: _____

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

Vendor/Contractor Name: Marycrest Apartments LLC

Contract control number: OEDEV-201843603

Location: 2777 West Parkside Place, Denver, CO 80221

Is this a new contract? ☐ Yes ☒ No **Is this an Amendment?** ☒ Yes ☐ No **If yes, how many?** 1

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

11/19/2018 to 11/18/2038

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>
\$700,000	\$0	\$700,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
11/19/2018 – 11/18/2038		11/18/2038

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 November 19, 2018, the city executed a loan agreement authorizing a \$700,000 loan for the development of Aria Marycrest, a 65-unit project affordable to rental tenants at or below 60% AMI. The construction is completed on this project and is ready to begin leasing units.

Because the property is now leasing, it is required to submit a “Placed in Service Application” to the Colorado Housing and Finance Authority (CHFA). The Placed in Service Application provides information CHFA needs to finalize and record its planned Land Use Restriction Agreement (LURA) for the project.

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Date Entered: _____

Revised 03/02/18

The recording of the LURA allows the project's investor to claim tax credits for units occupied in 2020. 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.

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR20 0449

Date Entered: _____

Revised 03/02/18