



Legislation Details (With Text)

File #: 24-0343 **Version:** 1

Type: Resolution **Status:** Adopted

File created: 3/11/2024 **In control:** Safety, Housing, Education & Homelessness Committee

On agenda: 6/3/2024 **Final action:** 6/3/2024

Title: A resolution approving a proposed Loan Agreement between the City and County of Denver and Mental Health Center of Denver to assist with the development and construction of sixty (60) affordable rental dwelling units known as Sheridan Supportive Housing in Council District 3. Approves a loan agreement with Mental Health Center of Denver, doing business as WellPower in the amount of \$3,100,000 and a maturity date of 60 years from date of the Promissory Note and repayment forgiven so long as borrower is in compliance with all terms and conditions of Agreement, to assist with the development and construction of sixty (60) affordable rental dwelling units known as Sheridan Supportive Housing, in Council District 3. (HOST-202472724). The last regularly scheduled Council meeting within the 30-day review period is on 6-17-2024. The Committee approved filing this item at its meeting on 3-20-2024.

Sponsors:

Indexes: Anne Wallace

Code sections:

Attachments: 1. RR24_0343_HOST RR-10th Sheridan, 2. 24-0343_Agmt Mental Health Center Denver Loan Agmnt Linkage Fee \$3.1M WellPower, 3. 24-0343 Filed Resolution Mental Health Center of Denver 202472724, 4. 24-0343 Filed Resolution Mental Health Center of Denver, 5. 24-0343_signed.pdf

| Date | Ver. | Action By | Action | Result |
|-----------|------|---|---------------------|--------|
| 6/3/2024 | 1 | Council President | signed | |
| 6/3/2024 | 1 | Council President | signed | |
| 6/3/2024 | 1 | City Council | adopted | Pass |
| 3/20/2024 | 1 | Safety, Housing, Education & Homelessness Committee | approved by consent | Pass |

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 03-18-2024

Requesting Agency: Department of Housing Stability
Division:

Subject Matter Expert Name: Laura Allen-Hatcher

Email Address: Laura.Allen-hatcher@denvergov.org <<mailto:Laura.Allen-hatcher@denvergov.org>>

Phone Number:

Item Title & Description:

(Do not delete the following instructions)

These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title

should be in **bold** font).

Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.

A resolution approving a proposed Loan Agreement between the City and County of Denver and Mental Health Center of Denver to assist with the development and construction of sixty (60) affordable rental dwelling units known as Sheridan Supportive Housing in Council District 3.

Approves a loan agreement with Mental Health Center of Denver, doing business as WellPower in the amount of \$3,100,000 and a maturity date of 60 years from date of the Promissory Note and repayment forgiven so long as borrower is in compliance with all terms and conditions of Agreement, to assist with the development and construction of sixty (60) affordable rental dwelling units known as Sheridan Supportive Housing, in Council District 3. (HOST-202472724). The last regularly scheduled Council meeting within the 30-day review period is on 6-17-2024. The Committee approved filing this item at its meeting on 3-20-2024.

Affected Council District(s) or citywide?
Council District 3

Contract Control Number:
HOST-202472724

Vendor/Contractor Name (including any "DBA"):
Mental Health Center of Denver, doing business as WellPower

Type and Scope of services to be performed:
The 3-story building will be slab on grade and constructed with a mix of wood frame and structure steel. In addition, the project intends to obtain the Enterprise Green Communities designation and will provide a cool roof. The structure will be PV and electrification ready. In addition, the project will use principles of Trauma Informed Design, including a safe courtyard to better support the residents

Location (if applicable):
4141 E. Dickenson Place, Denver, Colorado 80222

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts):
N/A

Are WBE/MBE/DBE goals met (if applicable)?
N/A

Is the contract new/a renewal/extension or amendment?
New

Was this contractor selected by competitive process or sole source?

N/A Gap financing for construction

For New contracts

Term of initial contract:

Subject to the terms of this Agreement, the City agrees to lend Borrower the sum of **Three Million One Hundred Thousand Dollars and NO/100 (\$3,100,000.00)** (the "Loan"). In addition to this Agreement, Borrower will execute a promissory note in a form satisfactory to the City evidencing this Loan (the "Promissory Note"). Simple interest at a rate of zero percent (0%) per annum shall commence accruing on the outstanding principal balance of the Promissory Note on the date on which the first draw on the Loan is made. The Loan will mature and be due and payable on the sixtieth (60th) anniversary of the date of the Promissory Note (the "Maturity Date"), if not sooner paid. Borrower will not be required to make payments on the Loan so long as Borrower is in compliance with all terms and conditions of this Agreement. Repayment shall be forgiven by the City on the Maturity Date so long as Borrower is in compliance with all terms and conditions of this Agreement.

Options for Renewal:

How many renewals (i.e. up to 2 renewals)?

Term of any renewals (i.e. 1 year each):

Cost of initial contract term:

#3,100,000

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:

Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?

If length changing

What was the length of the term of the original contract?

What is the length of the extension/renewal?

What is the revised total term of the contract?

If cost changing

What was the original value of the entire contract prior to this proposed change?

What is the value of the proposed change?

What is the new/revised total value including change?

If terms changing

Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)