



Legislation Text

File #: 20-0449, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 5-4-20

Requesting Agency: Department of Housing Stability
Division:

Subject Matter Expert Name:

Name: Megan Yonke
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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 First Amendment and Modification Agreement with Marycrest Apartments, LLC to allow the City to subordinate its deed of trust and covenant to a land use restriction agreement.

Amends a loan agreement with Marycrest Apartments, LLC to add language allowing the City's loan to take a subordinate position to the Colorado Housing and Finance Authority's (CHFA) Land Use Restriction Agreement (LURA) for a recently completed 65-unit affordable rental project located at 2777 West Parkside Place, in Council District 1. No change to agreement amount or duration (OEDEV-201843603). The last regularly scheduled Council meeting within the 30-day review period is on 6-15-20. The Committee approved filing this item at its meeting on 5-13-20.

Affected Council District(s) or citywide? Council District 1

Contract Control Number: OEDEV-201843603

Vendor/Contractor Name (including any "DBA"): Marycrest Apartments LLC

Type and Scope of services to be performed:

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.

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.

Location (if applicable):

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

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

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

Was this contractor selected by competitive process or sole source?

For New contracts

Term of initial contract:

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:

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.)