



Legislation Details (With Text)

File #: 20-0265 **Version:** 1

Type: Resolution **Status:** Adopted

File created: 3/9/2020 **In control:** Safety, Housing, Education & Homelessness Committee

On agenda: 3/31/2020 **Final action:** 3/31/2020

Title: A resolution approving a proposed Seventh Amendment and Modification Agreement between the City and County of Denver and 2300 Welton, LLC to amend and modify the terms and conditions of the loan for a 223-unit affordable housing project at 2300 Welton Street. Amends a loan agreement with 2300 Welton, LLC to allow for administrative changes that supports refinancing of their permanent loan for a 223-unit affordable housing project at 2300 Welton Street in Council District 9. No change to agreement amount or duration (OEDEV-CE63028-07). The last regularly scheduled Council meeting within the 30-day review period is on 4-20-20. The Committee approved filing this item at its meeting on 3-18-20.

Sponsors:

Indexes: Emily Lapel

Code sections:

Attachments: 1. RR20 0265 HOST 2300 Welton, 2. 20-0265 Filed Resolution_2300 Welton, LLC 202053447-07 Alfresco CE63028, 3. 20-0265 Seventh Amendment and Modification Agreement 2300 Welton, LLC 202053133-07 Alfresco CE63028, 4. 20-0265 Filed Resolution_2300 Welton, LLC, 5. 20-0265 - signed

Date	Ver.	Action By	Action	Result
4/1/2020	1	Council President	signed	
3/31/2020	1	City Council	adopted	Pass
3/18/2020	1	Safety, Housing, Education & Homelessness Committee	approved by consent	

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 3-9-20

Requesting Agency: Department of Housing Stability
Division:

Subject Matter Expert Name:

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

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 Seventh Amendment and Modification Agreement between the City and County of Denver and 2300 Welton, LLC to amend and modify the terms and conditions of the loan for a 223-unit affordable housing project at 2300 Welton Street.

Amends a loan agreement with 2300 Welton, LLC to allow for administrative changes that supports refinancing of their permanent loan for a 223-unit affordable housing project at 2300 Welton Street in Council District 9. No change to agreement amount or duration (OEDEV-CE63028-07). The last regularly scheduled Council meeting within the 30-day review period is on 4-20-20. The Committee approved filing this item at its meeting on 3-18-20.

Affected Council District(s) or citywide? Council District 9

Contract Control Number: OEDEV-CE63028-07

Vendor/Contractor Name (including any "DBA"): 2300 Welton, LLC

Type and Scope of services to be performed:

EXECUTIVE SUMMARY

In 2006, the City made a loan of HOME funds to Glenarm Residences, LLC, later assigned to 2300 Welton, LLC, to finance the acquisition of land at 2300 Welton Street for the construction of affordable housing units. In 2015, the borrower closed construction financing, including Low-Income Housing Tax Credit (LIHTC) equity, and began construction on a 223-unit affordable housing project. The project includes 212 units for households earning at or below 60% AMI and 11 units for households earning at or below 30% AMI.

2300 Welton, LLC is currently undergoing a refinancing of its permanent loan. The refinancing requires subordination of the City loan agreement to a new lender, which is not supported by the current contract. This amendment makes administrative changes that will authorize the HOST Executive Director, or his or her designee, to execute documents necessary to subordinate City closing documents. Because this is an older loan agreement, that authorizing language is missing from this loan agreement.

Additionally, the amendment will add standard HUD riders to the City's restrictive covenant. These riders are standard among the City's more recent housing financing contracts where the developer/owner has a permanent loan with HUD.

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.)