



## Legislation Details (With Text)

**File #:** 20-0913 **Version:** 1

**Type:** Resolution **Status:** Adopted

**File created:** 8/31/2020 **In control:** Business, Arts, Workforce, Climate & Aviation Services Committee

**On agenda:** 9/21/2020 **Final action:** 9/21/2020

**Title:** A resolution approving a proposed Seventh Amendment and Modification Agreement between the City and County of Denver and NEWSED Community Development Corporation, Inc. to modify the repayment terms of a loan.  
Amends a loan agreement with NEWSED Community Development Corporation, Inc. to extend its current loan deferment through 12-31-20 on its commercial condo property at 901 West 10th Avenue in Council District 3 (GE2Y004-07). The last regularly scheduled Council meeting within the 30-day review period is on 10-12-20. The Committee approved filing this item at its meeting on 9-9-20.

**Sponsors:**

**Indexes:** John Mahoney

**Code sections:**

**Attachments:** 1. RR20 0913 DEDO NEWSED, 2. 20-0913 Filed Resolution\_Newsed Community Development Corporation Inc. 202055030-07, 3. 20-0913 Agreement\_Newsed Community Development Corp 202055030-07, 4. 20-0913 Filed Resolution\_Newsed Community Development Corporation Inc., 5. 20-0913 - signed

Date	Ver.	Action By	Action	Result
9/21/2020	1	Council President	signed	
9/21/2020	1	City Council	adopted	Pass
9/9/2020	1	Business, Arts, Workforce, Climate & Aviation Services Committee	approved by consent	

## Contract Request Template (Contracts; IGAs; Leases)

**Date Submitted:** 8-31-20

**Requesting Agency:** Denver Economic Development and Opportunity  
**Division:**

**Subject Matter Expert Name:**

Name: Susan Liehe 720-480-3481

Email: susan.liehe@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 NEWSED Community Development Corporation, Inc. to modify the repayment terms of a loan.**

Amends a loan agreement with NEWSED Community Development Corporation, Inc. to extend its current loan deferment through 12-31-20 on its commercial condo property at 901 West 10th Avenue in Council District 3 (GE2Y004-07). The last regularly scheduled Council meeting within the 30-day review period is on 10-12-20. The Committee approved filing this item at its meeting on 9-9-20.

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

**Contract Control Number:** GE2Y004-07

**Vendor/Contractor Name (including any "DBA"):** NEWSED Community Development Corporation, Inc.

**Type and Scope of services to be performed:**

This resolution and loan amendment pertains to the commercial portion of a NEWSED-owned, mixed-use property at 901 West 10th Avenue known as the Villa De Barela. The ground floor is retail/commercial space and the upper floors are affordable housing.

In 1993, DEDO originally financed a \$1,000,000 loan to develop the commercial portion of the property. The three-acre site was successfully developed into 10,000 SF of commercial/retail space and 38 units of affordable housing. The initial terms of the city's commercial loan were 10 years, 3% interest, and a monthly P&I of \$4,216. Subsequent amendments to the commercial loan have deferred payments on a short-term basis, adjusted the P&I payments and the interest rate, and exchanged deeds of trust and encumbrances. DEDO equity in this commercial portion was estimated to be \$1,608,000 in late 2019, which is more than enough to cover the outstanding loan balance of \$863,562.

A 2019 deferral granted on this loan was set to conclude in July 2020, although with the onset of the COVID-19 pandemic and resulting economic devastation, DEDO offered a loan deferral option this spring to its borrowers who could meet program requirements. At present, 16 loans are in negotiation or have been granted deferrals of 6-9 months. The total monthly payments that DEDO has deferred is approximately \$30,000/month, with the average monthly payment being deferred is approximately \$2,500.

If approved, this deferral for NEWSED would extend through December 31, 2020.

**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.)**