



Legislation Details (With Text)

File #: 21-1228 **Version:** 1

Type: Resolution **Status:** Adopted

File created: 10/14/2021 **In control:** Safety, Housing, Education & Homelessness Committee

On agenda: 11/8/2021 **Final action:** 11/8/2021

Title: A resolution approving a proposed Loan Agreement between the City and County of Denver, 3501 Chestnut Development, LLC and Shanahan Development LLC for the construction and development of 49 affordable condominium units at the project known as the Chestnut Place Condominiums. Approves a performance loan agreement with 3501 Chestnut Development, LLC for \$2,450,000 and for 99 years to construct a 49-unit affordable housing project known as Chestnut Place Condos, serving low to moderate income homebuyers, located at 3501 Chestnut Place in Council District 9 (HOST-202158709). The last regularly scheduled Council meeting within the 30-day review period is on 11-29-21. The Committee approved filing this item at its meeting on 10-20-21.

Sponsors:

Indexes: Emily Lapel

Code sections:

Attachments: 1. RR21 1228 HOST Chestnut Place Condos Request, 2. RR21 1228 HOST Chestnut Place Condos Summary, 3. 3501 Chestnut Condos 10.27.21 Final V3, 4. 21-1228 Filed Resolution_3501 Chestnut Development LLC and Shanahan Development LLC 202158709-00 ecs, 5. 21-1228 Loan Agreement 3501 Chestnut Development Development LLC and Shanahn Development LLC 202158709-00, 6. 21-1228 Filed Resolution_3501 Chestnut Development LLC and Shanahan Development LLC, 7. 21-1228 - signed

Date	Ver.	Action By	Action	Result
11/8/2021	1	Council President	signed	
11/8/2021	1	City Council	adopted	Pass
10/20/2021	1	Safety, Housing, Education & Homelessness Committee	approved for filing	Pass

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 10-14-21

Requesting Agency: Department of Housing Stability
Division:

Subject Matter Expert Name:

Name:	Elvis Rubio
Email:	Elvis.Rubio@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 Loan Agreement between the City and County of Denver, 3501 Chestnut Development, LLC and Shanahan Development LLC for the construction and development of 49 affordable condominium units at the project known as the Chestnut Place Condominiums.

Approves a performance loan agreement with 3501 Chestnut Development, LLC for \$2,450,000 and for 99 years to construct a 49-unit affordable housing project known as Chestnut Place Condos, serving low to moderate income homebuyers, located at 3501 Chestnut Place in Council District 9 (HOST-202158709). The last regularly scheduled Council meeting within the 30-day review period is on 11-29-21. The Committee approved filing this item at its meeting on 10-20-21.

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

Contract Control Number: HOST-202158709

Vendor/Contractor Name (including any "DBA"): 3501 Chestnut Development, LLC

Type and Scope of services to be performed:

Shanahan Development, through its entity 3501 Chestnut St LLC, is requesting a \$2,450,000 performance loan (\$50,000/unit) to develop a 49-unit condominium project with 14 one-bedroom, 27 two-bedroom, 8 three-bedroom units, and one commercial space. Funding will be for acquisition, hard construction costs and soft costs. When certificates of occupancy are received, Elevation Community Land Trust ("ECLT") will purchase the completed land and building improvements. ECLT will sell the units to buyers with incomes at or below 80% of the area median income and retain ownership of the land. They will record their land lease which will ensure the units will remain affordable for households at or below 80% AMI for 99 years. The loan agreement, promissory note, and deed of trust will be assigned to ECLT upon their acquisition of the land and improvements. ECLT will be responsible for buyer income qualification, initial and subsequent sales, and long-term stewardship of the development. The City will monitor ECLT's income verification process and resale process to ensure compliance with the loan agreement.

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: 99 years

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: \$2,450,000

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.)