



Legislation Details (With Text)

File #: 22-1486 **Version:** 1

Type: Resolution **Status:** Adopted

File created: 11/7/2022 **In control:** Safety, Housing, Education & Homelessness Committee

On agenda: 11/28/2022 **Final action:** 11/28/2022

Title: A resolution approving a proposed Loan Agreement between the City and County of Denver and Archway Montview Manor, LLC for the acquisition and renovation of Montview Manor, a 13-story building consisting of 88 rental units serving seniors with affordable housing needs, located at 1663 Steele Street in Council District 9.
Approves a loan agreement with Archway Montview Manor, LLC for \$3,400,000, with \$1,450,000 as a cash flow loan and \$1,950,000 as a performance loan and for 30 and 60-year terms respectively, for the acquisition and renovation of Montview Manor, a 13-story building consisting of 88 rental units serving seniors with affordable housing needs, located at 1663 Steele Street in Council District 9 (HOST-202265493). The last regularly scheduled Council meeting within the 30-day review period is on 12-19-2022. The Committee approved filing this item at its meeting on 11-16-2022.

Sponsors:

Indexes: Anne Wallace

Code sections:

Attachments: 1. RR22-1486_HOST_Montview Manor Loan Agreement, 2. 22-1486_Archway_Montview_Manor_LLC_Loan_Agrmt_202265493-00, 3. 22-1486 Filed Resolution_Archway Montview Manor, LLC_202265493-00, 4. 22-1486 Filed Resolution_Archway Montview Manor, LLC_202265493-00, 5. 22-1486 - signed

Date	Ver.	Action By	Action	Result
11/28/2022	1	Council President	signed	
11/28/2022	1	City Council	adopted	Pass
11/16/2022	1	Safety, Housing, Education & Homelessness Committee	approved by consent	Pass

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 11-14-2022

**Requesting Agency: Department of Housing Stability
Division:**

Subject Matter Expert Name: Justin Hill
Email Address: Justin.Hill@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 Archway Montview Manor, LLC for the acquisition and renovation of Montview Manor, a 13-story building consisting of 88 rental units serving seniors with affordable housing needs, located at 1663 Steele Street in Council District 9.

Approves a loan agreement with Archway Montview Manor, LLC for \$3,400,000, with \$1,450,000 as a cash flow loan and \$1,950,000 as a performance loan and for 30 and 60-year terms respectively, for the acquisition and renovation of Montview Manor, a 13-story building consisting of 88 rental units serving seniors with affordable housing needs, located at 1663 Steele Street in Council District 9 (HOST-202265493). The last regularly scheduled Council meeting within the 30-day review period is on 12-19-2022. The Committee approved filing this item at its meeting on 11-16-2022.

Affected Council District(s) or citywide? 9

Contract Control Number: HOST-202265493

Vendor/Contractor Name (including any "DBA"): Archway Montview Manor, LLC

Type and Scope of services to be performed:

Archway Montview Manor LLC is acquiring Montview Manor, a 13-story building consisting of 88 rental units in a naturally occurring senior affordable housing community in the South City Park neighborhood. Montview Manor provides current residents with access to opportunities and many amenities, sitting half a block from City Park, the #20 bus line, and a block and a half from the #15 bus line on Colfax. The building was constructed in 1962 with concrete and steel construction.

Archway is seeking \$3.4 million in funding from HOST for acquisition of the Montview Manor building and accompanying rehabilitation, which will include a repayable cash flow loan and a performance loan. Montview Manor serves seniors with a range of incomes from 30% AMI to over 80% AMI. Currently, 25% of the units are occupied by residents at or below 30% AMI rents and 75% of units are at 60% AMI rents or below. Per the seller's requirements, Archway is required to prevent displacement of any current residents.

Scope of work:

Most of the funds will be used for acquisition of the existing building, and while some of the units have recently received upgrades including new appliances, windows, flooring, and plumbing fixtures, the remaining units are in need of the same upgrades. Archway intends to assess and update units as needed upon turnover. The rehab scope includes all immediate short-term needs identified in the Capital Needs Assessments which largely include work on the exterior of the building as well as other common area and building system components. As an existing building there is no design component to the project. The building currently has many low-flow toilets in the units and LED light fixtures are being installed when units are turned over and are updated. Additionally, many of the units received new sliding glass doors and windows within the past five years. Archway is committed to operating energy efficient buildings and is exploring energy saving opportunities at Montview Manor. The Phase I Environmental Site Assessment did not identify any Recognized Environmental Conditions (REC), Controlled RECs, or Historical RECs.

Location (if applicable): 1663 Steele St. Denver, CO 80206

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

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

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

New

Was this contractor selected by competitive process or sole source?

Sole

For New contracts

Term of initial contract:

Contract Term/Duration (for amended contracts, include existing term dates and amended dates):

Expected Date of agreement execution- 12/13/2022

- Loan Agreement includes two portions:
 - Cash Flow portion: \$1,450,000
 - Community Development Block Grant (CDBG) in the amount of \$550,000
 - Property Tax funds in the amount of \$900,000
 - The length of term for the Cash Flow portion is thirty (30) years
 - Performance portion: \$1,950,000
 - Community Development Block Grant (CDBG) in the full amount of \$1,950,000
 - The length of term for the Performance portion is sixty (60) 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:

Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Current Contract Amount (A)</i>	<i>Additional Funds (B)</i>	<i>Total Contract Amount (A+B)</i>
\$3,400,000	\$0	\$3,400,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
Loan Agreement - Cash Flow portion: 30 years	N/A	12/13/2052
Loan Agreement - Performance portion: 60 years	N/A	12/13/2082

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.)