



Legislation Details (With Text)

File #: 23-0292 **Version:** 1

Type: Resolution **Status:** Adopted

File created: 3/12/2023 **In control:** Safety, Housing, Education & Homelessness Committee

On agenda: 4/3/2023 **Final action:** 4/3/2023

Title: A resolution approving a proposed First Amendment and Modification Agreement between the City and County of Denver and NDHC Affordable Communities, Inc. to revise the terms related to the maximum sales price of affordable units created under the agreement as part of the Central Park IV project, located at 5702 North Central Park Boulevard in Council District 8. Amends a loan agreement with Northeast Denver Housing Center (NDHC) Affordable Communities, Inc. to allow for an increase in the maximum sales price per unit, while still aligning with HOST's published maximum sales prices, as part of the Central Park IV project, located at 5702 North Central Park Boulevard in Council District 8. No change to loan amount or duration (HOST-202265609-01). The last regularly scheduled Council meeting within the 30-day review period is on 4-24-2023. The Committee approved filing this item at its meeting on 3-22-2023.

Sponsors:

Indexes: Anne Wallace

Code sections:

Attachments: 1. RR23_0292_HOST_NDHC 1st Amendment, 2. 23-0292 Filed Resolution_NDHC Affordable Communities Inc._202265609-01 03.28.pdf, 3. 23-0292_NDHC Affordable Communities Inc._First Amendment_202265609-01, 4. 23-0292 Filed Resolution_NDHC Affordable Communities Inc._202265609-01 03.28.2023, 5. 23-0292 - signed

Date	Ver.	Action By	Action	Result
4/3/2023	1	Council President	signed	
4/3/2023	1	City Council	adopted	Pass
3/22/2023	1	Safety, Housing, Education & Homelessness Committee	approved by consent	Pass

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 3/12/23

Requesting Agency: HOST
Division:

Subject Matter Expert Name: Jack Wylie
Email Address: jack.wylie@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 First Amendment and Modification Agreement between the City and County of Denver and NDHC Affordable Communities, Inc. to revise the terms related to the maximum sales price of affordable units created under the agreement as part of the Central Park IV project, located at 5702 North Central Park Boulevard in Council District 8.

Amends a loan agreement with Northeast Denver Housing Center (NDHC) Affordable Communities, Inc. to allow for an increase in the maximum sales price per unit, while still aligning with HOST's published maximum sales prices, as part of the Central Park IV project, located at 5702 North Central Park Boulevard in Council District 8. No change to loan amount or duration (HOST-202265609-01). The last regularly scheduled Council meeting within the 30-day review period is on 4-24-2023. The Committee approved filing this item at its meeting on 3-22-2023.

Affected Council District(s) or citywide? District 8

Contract Control Number: HOST-202265609-01

Vendor/Contractor Name (including any "DBA"): Northeast Denver Housing Center (NDHC) Affordable Communities, Inc.

Type and Scope of services to be performed:

The purpose of this amendment is to change to the maximum initial sales price approved for the Northeast Denver Housing Center's Central Park IV project to account for cost increases identified since approval while still aligning with HOST's published maximum sales prices. This project was underwritten and approved with the initial sales price of all units set at \$210,000. This sales price was incorporated into the loan agreement approved by City Council on Dec. 20, 2022. Due to rising construction costs and interest rates, the developer is seeking to raise the initial sales price to \$220,000-\$225,000, which is still well below the HOST published initial sales price for 2-bedroom units at 80% AMI of \$271,450. The developer has already begun marketing units at the higher sales prices.

The outstanding principal balance of the Loan shall bear simple interest at a rate of zero percent (0%) per annum until paid in full or forgiven in accordance with the terms hereof. Upon each sale of a Unit (as defined in Paragraph 6) to a Qualified Buyer (as defined in the Covenant), the City will forgive Thirty-Five Thousand and 00/100 Dollars (\$35,000.00) of the Loan.

Location (if applicable): 5702 North Central Park Boulevard

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? Amendment

Was this contractor selected by competitive process or sole source? Loan review process

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)? Changing sales price requirements. No change to length or amount.

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.)

Remove the \$210,000 maximum sales price from the loan agreement and allow the borrower to sell units to qualified borrowers at an initial sales price set at or below the maximum sales price published by HOST