



## Legislation Details (With Text)

**File #:** 24-0343 **Version:** 1

**Type:** Resolution **Status:** Approval Review

**File created:** 3/11/2024 **In control:** Safety, Housing, Education & Homelessness Committee

**On agenda:** 3/20/2024 **Final action:**

**Title:** Approves a loan agreement with Mental Health Center of Denver, doing business as WellPower in the amount of \$3,100,000 and a maturity date of 60 years from date of the Promissory Note and repayment forgiven so long as borrower is in compliance with all terms and conditions of Agreement, to assist with the development and construction of sixty (60) affordable rental dwelling units known as Sheridan Supportive Housing, in Council District 3. (HOST-202472724)

**Sponsors:**

**Indexes:** Anne Wallace

**Code sections:**

**Attachments:** 1. RR24\_0343\_HOST RR-10th Sheridan

Date	Ver.	Action By	Action	Result
3/20/2024	1	Safety, Housing, Education & Homelessness Committee	approved by consent	Pass

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

**Date Submitted: 03-18-2024**

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

**Subject Matter Expert Name: Laura Allen-Hatcher**

**Email Address:** [Laura.Allen-hatcher@denvergov.org](mailto:Laura.Allen-hatcher@denvergov.org) <<mailto:Laura.Allen-hatcher@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.*

Approves a loan agreement with Mental Health Center of Denver, doing business as WellPower in the amount of \$3,100,000 and a maturity date of 60 years from date of the Promissory Note and repayment forgiven so long as borrower is in compliance with all terms and conditions of Agreement, to assist with the development and construction of sixty (60) affordable rental

dwelling units known as Sheridan Supportive Housing, in Council District 3.  
(HOST-202472724)

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

**Contract Control Number:**  
HOST-202472724

**Vendor/Contractor Name (including any "DBA"):**  
Mental Health Center of Denver, doing business as WellPower

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

The 3-story building will be slab on grade and constructed with a mix of wood frame and structure steel. In addition, the project intends to obtain the Enterprise Green Communities designation and will provide a cool roof. The structure will be PV and electrification ready. In addition, the project will use principles of Trauma Informed Design, including a safe courtyard to better support the residents

**Location (if applicable):**  
4141 E. Dickenson Place, Denver, Colorado 80222

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

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

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

**Was this contractor selected by competitive process or sole source?**  
**N/A** Gap financing for construction

**For New contracts**

**Term of initial contract:**

Subject to the terms of this Agreement, the City agrees to lend Borrower the sum of **Three Million One Hundred Thousand Dollars and NO/100 (\$3,100,000.00)** (the "Loan"). In addition to this Agreement, Borrower will execute a promissory note in a form satisfactory to the City evidencing this Loan (the "Promissory Note"). Simple interest at a rate of zero percent (0%) per annum shall commence accruing on the outstanding principal balance of the Promissory Note on the date on which the first draw on the Loan is made. The Loan will mature and be due and payable on the sixtieth (60<sup>th</sup>) anniversary of the date of the Promissory Note (the "Maturity Date"), if not sooner paid. Borrower will not be required to make payments on the Loan so long as Borrower is in compliance with all terms and conditions of this Agreement. Repayment shall be forgiven by the City on the Maturity Date so long as Borrower is in compliance with all terms and conditions of this Agreement.

**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:**  
**#3,100,000**

**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.)**