



Legislation Text

File #: 19-1302, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 11-18-19

Requesting Agency: Department of Housing Stability
Division:

Subject Matter Expert Name:

Name: Susan Liehe 720-913-1689
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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 Denver Leased Housing Associates VI, LLLP to support the development of East Range Crossing an affordable housing community located at 5810 North Argonne Street in the Green Valley Ranch neighborhood.

Amends a loan agreement with Denver Leased Housing Associates VI, LLLP to add language allowing the City's loan to take a subordinate position to the Colorado Housing and Finance Authority's (CHFA) Land Use Restriction Agreement (LURA) to support the development of East Range Crossing, a 10-building affordable housing community providing 252 units for households at or below 60% of the Area Median Income located at 5810 North Argonne Street in Council District 11. No change to agreement amount or duration (OEDEV-201735583-01). The last regularly scheduled Council meeting within the 30-day review period is on 1-13-20. The Committee approved filing this item at its meeting on 11-27-19.

Affected Council District(s) or citywide? Council District 11

Contract Control Number: OEDEV-201735583-01

Vendor/Contractor Name (including any "DBA"): Denver Leased Housing Associates VI, LLP

Type and Scope of services to be performed:
EXECUTIVE SUMMARY

On November 8, 2017, the city executed a Loan Agreement authorizing a \$3,000,000 loan for the development of East Range Crossing, a 10-building affordable housing community located at 5810 N Argonne St. in the Green Valley Ranch neighborhood. The project is providing 252 units for households at or below 60% of the Area Median Income (AMI) including 12 one-bedroom, 120 two-bedroom, and 120 three-bedroom units.

While construction is being completed in stages, the first four buildings are complete and leasing is underway. Because the property is now leasing, the Colorado Housing and Finance Authority (CHFA) requires a "Placed in Service Application" that provides the information CHFA needs to record a Land Use Restriction Agreement (LURA) for the project, and our recorded Deed of Trust must be subordinate to CHFA's LURA. Recording of the LURA allows the project's investor to claim tax credits for the units occupied in 2019. The loan agreement currently does not explicitly authorize the subordination of the city's Deed of Trust to CHFA's LURA and must be amended to provide the appropriate language to allow the subordination.

There is no financial impact to this amendment.

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.)