



Legislation Text

File #: 20-0825, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 8-10-20

Requesting Agency: Denver Economic Development and Opportunity
Division:

Subject Matter Expert Name:

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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 Agreement between the City and County of Denver and Montbello Organizing Committee to help fund the acquisition of property located at 4690 Peoria Street.

Approves a loan agreement with Montbello Organizing Committee (MOC) for \$700,000 and for seven years to help fund the acquisition of property located at 4690 Peoria Street to be developed into a mixed-use facility with affordable housing units, a grocery store, small retail spaces, cultural facility, meeting rooms, and MOC offices in Council District 8 (OEDEV-202054444). The last regularly scheduled Council meeting within the 30-day review period is on 9-28-20. The Committee approved filing this item at its meeting on 8-26-20.

Affected Council District(s) or citywide? Council District 8

Contract Control Number: OEDEV-202054444

Vendor/Contractor Name (including any "DBA"): Montbello Organizing Committee

Type and Scope of services to be performed:

Montbello Organizing Committee (MOC) requested \$700,000 funds from DEDO to fund the

acquisition of the real property known as 4690 Peoria Street (aka 12300 Albrook Drive), Denver, CO 80239 for \$600K and for \$100K for pre-development costs.

The facility was formerly an RTD station and will be developed into a mixed-use facility with affordable housing units, a grocery store, small retail spaces, cultural facility, meeting rooms, and MOC offices, all of which will be called the Montbello FreshLo Hub. At the end of February 2020, MOC purchased the real property with Colorado Enterprise bridge loans, and \$600,000 of DEDO's performance-based loan will pay off these bridge loans. The total project cost for this development is \$32M, expected to be funded by Low Income Housing Tax Credits, New Market Tax Credits and other federal, state and local sources. Construction will commence 1st quarter of 2021 and scheduled to be completed by the Summer of 2022.

The city's 700K commitment, to be funded by Denver's HUD Community Development Block Grant (CDBG) funds under the Public Facility & Improvements program, will be a seven-year term loan and will be secured by a Deed of Trust on the Peoria real property. After seven years from the date of the promissory note, provided that the facility continues to be a community facility, the promissory note will be cancelled and the Deed of Trust released.

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: 7 years from date of Promissory Note

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: \$700,000

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.)