

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by **11:00am on Monday**. Contact the Mayor's Legislative team with questions

Date of Request: 3/8/2023

Please mark one: Bill Request or Resolution Request

1. Type of Request:

- Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment
 Dedication/Vacation Appropriation/Supplemental DRMC Change
 Other:

2. Title: (Start with *approves*, *amends*, *dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Amends a contract with Northeast Denver Housing Center (NDHC) Affordable Communities, Inc., by allowing for an increase in the maximum sales price per unit. (Base contract #HOST-202265609. Proposed contract #HOST-202265609-01.

3. Requesting Agency: Department of Housing Stability (HOST)

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Adam Lyons	Name: Jack Wylie
Email: adam.lyons@denvergov.org	Email: jack.wylie@denvergov.org

5. General description or background of proposed request. Attach executive summary if more space needed:

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.

6. City Attorney assigned to this request (if applicable): Eliot Schaffer

7. City Council District: 8

8. ****For all contracts, fill out and submit accompanying Key Contract Terms worksheet****

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

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Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property):
Professional Services > \$500K

Vendor/Contractor Name: NDHC AFFORDABLE COMMUNITIES, INC.

Contract control number: HOST-202265609-01

Location: 1735 Gaylord Street, Denver, Colorado 80206

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many?** 1

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

HOST-202265609 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.
Amendment #1 HOST-202265609-01 Same contract duration as the original contract agreement.

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

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
<i>(A)</i>	<i>(B)</i>	<i>(A+B)</i>
\$2,449,976	0	\$2,449,976

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
See contract terms above	N/A	Same as original contract

Scope of work:

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

Was this contractor selected by competitive process? No **If not, why not?** N/A

Has this contractor provided these services to the City before? Yes No

Source of funds: Affordable Housing Property Tax Fund

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts): N/A

Who are the subcontractors to this contract? N/A

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