

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at [MileHighOrdinance@DenverGov.org](mailto: MileHighOrdinance@DenverGov.org) by **9:00a.m. on Friday**. Contact the Mayor's Legislative team with questions

Date of Request: 3/4/2024

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.)

Approves the loan agreement between the City and County of Denver and Mental Health Center of Denver d/b/a WellPower in the amount of \$3,100,000 to assist with the development and construction of sixty (60) affordable rental dwelling units, which will be known as Sheridan Supportive Housing (HOST-202472724).

3. **Requesting Agency:** Department of Housing Stability

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Laura Allen-Hatcher	Name: Christopher Lowell
Email: Laura.Allen-hatcher@denvergov.org	Email: Christopher.Lowell@denvergov.org

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

This request is for \$3,100,000 to assist with the development and construction of sixty (60) income-restricted units to be rented at prices affordable to qualifying households. Sheridan Supportive Housing is a 100% affordable project located at 5097 W 10th Avenue.

Sheridan Supportive Housing is a proposed new construction permanent supportive housing (PSH) project in the Villa Park Neighborhood in West Denver. The project consists of 60 1BR units located between West 10th and 11th avenues, with an entrance on West 11th Avenue. All 60 units will be restricted to 30% of the area median income (AMI) and dedicated to persons experiencing or at risk of homelessness. The project utilizes the Housing First framework. This includes a case management team with various skills to best suit the complexity of client/resident needs, and contextual case management.

WellPower will provide supportive services for tenants on-site. On-site services include tenant orientation/move-in assistance, tenant's rights education, referrals to other services and programs, individualized service planning, and individual counseling and support. Residents will also have access to the organization's full array of clinical services that are available in satellite clinics off-site. Project staffing will include twenty-four-hour access to residential counselors and a safety office.

The Borrower is not requesting financial support from Denver for Supportive Services.

The Borrower will be required to house people with low/moderate incomes, as shown in the following table. The rental and occupancy restrictions detailed below will be secured by a Covenant that will be recorded against the property and will run with the land for a minimum of 60 years.

Unit Type	30% AMI	Total Units
1BR	60	60
Total	60	60
% of Total	100.0%	100.0%

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

Eliot Schaefer

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

7. **City Council District:**
District 3

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

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:
Mental Health Center of Denver

Contract control number:
HOST-202472724

Location: 4141 E. Dickenson Place, Denver, Colorado 80222

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

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

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 (60th) 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.

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>
(A)	(B)	(A+B)
\$3,100,000	N/A	\$3,100,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
See contract term/duration above	N/A	See contract term/duration above

Scope of work:

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.

Was this contractor selected by competitive process? N/A **If not, why not?** Gap financing for construction

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

Source of funds:
Affordable Housing Fund - Linkage Fee

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

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

To be completed by Mayor’s Legislative Team:

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Date Entered: _____

Who are the subcontractors to this contract? N/A

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Date Entered: _____