

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**. Contact the Mayor's Legislative team with questions

Date of Request: **April 27, 2022**

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 contract execution with Mercy Housing Mountain Plains to provide funding to support the development and operation of an affordable Early Childhood Education center located on the first floor of the mixed-use, mixed income project known as The Rose on Colfax located at East Colfax Ave. and North Valentia St.

3. Requesting Agency: Office of Children's Affairs

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Terra Haseman Swazer	Name: Kat Jarvis
Email: terra.hasemanswazer@denvergov.org	Email: Katherine.jarvis@denvergov.org

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

The Office of Children's Affairs was awarded funding through the American Recovery Plan Act (ARPA) specifically for investments in childcare. The Rose on Colfax project is the perfect partnership to invest these targeted funds. Mercy Housing Mountain Plains is an existing partner of the City & County of Denver with an established track record of delivering high-quality projects in areas of need.

There are approximately 300 licensed childcare slots in East Colfax where the center will be built, but the number of children in need of childcare is 770. The childcare facility will help close the gap by providing a total of 48 affordable childcare placements. Priority will be given to families from the Rose on Colfax housing complex and the surrounding neighborhood. The Rose on Colfax will serve 48 children, 54% of whom will be supported through Head Start/Early Head Start funding, and 80% of whom will be eligible for the Colorado Childcare Assistance Program (CCAP), Denver Preschool Program (DPP) and other financial assistance.

The need for funding is great, particularly after the COVID-19 pandemic impacted Mercy Housing's ability to fundraise. Funders were hesitant to provide capital funding when so many community members had immediate and emergent needs for basic services and resources. Mercy Housing also faced challenges reaching potential capital donors in a virtual world. Additionally, the cost of materials increased as the global economy was impacted, and supply chain issues became more prevalent. Construction costs have increased and continued to increase throughout 2021.

There are currently no other projects like this in East Colfax. The co-location of the early childhood center with the affordable housing complex is unique across the city. The location of the Rose on Colfax was historically a strip club where incidents of crime and violence occurred with regularity. Supporting this project is in line with OCA's commitment to

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supporting quality early childhood care and learning. Additionally, with East Colfax being the City's most ethnically diverse neighborhood with 65% of resident identifying as non-white and 26% being foreign-born, supporting a project in this neighborhood is in line with the objectives of ARPA to serve historically marginalized communities. Forty-four percent of children in East Colfax were born to foreign-born women in the last five years, and 47% of children in this area live at or below the poverty line. The needs of this neighborhood are great, but the need for a project like this is enormous. OCA's funding would help provide families in East Colfax the opportunity to ensure their children have a safe, affordable place to learn and grow.

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

7. City Council District: 8

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):
Reduction of existing debt

Vendor/Contractor Name: Mercy Housing Mountain Plains

Contract control number: MOEAI-202263349

Location: 1500 N. Valentia St. Denver, CO 80220

Is this a new contract? ☒ Yes ☐ No Is this an Amendment? ☐ Yes ☒ No If yes, how many? _____

Contract Term/Duration (for amended contracts, include existing term dates and amended dates): May 1, 2022—December 31, 2023

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>
\$572,483	\$0	\$572,483

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
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Scope of work: Reducing the amount of the loan from The Colorado Health Foundation to ensure affordability at the Early Childhood Center (ECE).

Was this contractor selected by competitive process? No **If not, why not?** This project was already underway when ARPA allocations were approved to agencies, and OCA was introduced to Mercy Housing, who is a long-time trusted partner of various City agencies, including HOST and DEDO. The project is in alignment with the priorities and funding matrix for the ARPA funds and presented an opportunity for OCA to support an existing project that needed the funds rather than creating something new and further diluting support in the community.

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

Source of funds: American Recovery Plan Act (ARPA)

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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