



Stapleton Development Corporation

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November 19, 2013

Mr. Douglas B. Smith
Ms. Stephanie Inderwiesen
Office of Economic Development
City and County of Denver
201 W. Colfax Avenue, Dept 204
Denver, Colorado 80202

RE: Affordable Housing Program at Stapleton

Dear Mr. Smith and Mrs. Inderwiesen:


The Board of Directors for the Stapleton Development Corporation appreciates the City's consideration of our concerns regarding the affordable housing program at Stapleton (the 'Program'). The Board has reviewed four proposed changes:

- (1) Renaming the Covenant relating to title transfer and the affordable housing covenant;
- (2) Reducing the covenant control period to 15 years;
- (3) Establishing progressive higher income levels for subsequent eligible buyers based on years of ownership; and,
- (4) Allowing homeowner to rent units under certain terms and conditions.

After deliberations and discussion, the Board has formally endorsed these changes. While the success of the changes is yet to be seen, we appreciate the City hearing our concerns and acting on them. We hope this open dialogue will continue. We would also appreciate your keeping us advised of any issues and concerns you have or may hear about regarding this revamped program.

The success of the affordable housing program at Stapleton is imperative if we are to succeed in achieving the Green Book vision of an economically and culturally diverse Stapleton neighborhood. Thank you for your help in achieving this goal.

Yours,



Cheryl Cohen-Vader
President and CEO



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 Sustainable Housing & Communities
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June 21, 2013

Stapleton Working Group

Dear Stapleton Working Group;

First, let me thank you for your hard work and diligence throughout this process. We have all worked very hard to provide an added level of flexibility for current Stapleton homeowners. As of today's date, the following is a summary of items that have either been agreed to by consensus or majority consensus:

1. The Covenant will be renamed "Notice of Voidability of Title Transfer and Affordable Housing Covenant" to increase awareness of restrictions.
2. The Covenant control period will be reduced from thirty (30) years to (15) years.
3. Affordable homeowners will have the following options at resale:
 - a) Homeowners may sell their unit to a higher income eligible buyer, depending on length of ownership:

Years of Ownership (upon purchase)	Eligible Household AMI @ Resale
0-3 years	80% AMI
3-6 years	90% AMI
6-15 years	100% AMI
15+ years	No Restriction

- b) If the unit remains unsold after an active marketing period, the unit may be sold to a City approved non-profit 501(c)(3) partner, governmental or quasi-governmental entity.
4. Homeowners may rent the unit after actively marketing the unit for sale.
 - a) Rental must occur through a City approved partner;
 - b) Rent and eligible income may not exceed 65% area median income, depending on unit type.

The Affordable Covenant will remain in effect during the rental period; rental periods will not be included in the total duration of the control period.

As you can see, two initial proposals have been excluded – the Reduced Initial Purchase Price and the Resale Option. Reducing the initial purchase price of the unit would be unduly burdensome. Additionally, the Resale Option would negatively affect the homeowner through the application of capital gains taxes.

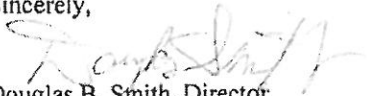
The above proposal items will assist the homeowner by providing alternative options at the time of resale and expand the buyer pool for existing Stapleton affordable units.

Stapleton Working Group
Re: *Stapleton Proposal*
June 21, 2013

Please review the contents of this letter and contact me with any questions or concerns. Our plan is to begin the formal City process to amend the Stapleton Affordable Housing provisions with presentation to City Council in mid June. If you would like a copy of the detailed proposal, please contact Stephanie Inderwiesen at stephanie.inderwiesen@denvergov.org.

Again, thank you for your involvement and commitment to reach consensus on these important proposed changes.


Sincerely,


Douglas B. Smith, Director
Sustainable Housing and Communities

DS:si

ACKNOWLEDGEMENT

By signing below, I acknowledge my agreement with and support of all of the referenced proposed revisions contained in this letter to the Stapleton Development Agreement, the Stapleton Affordable Housing Plan as an Exhibit thereto, and current and future Stapleton Affordable Housing Covenants.


John LeHigh
Forest City