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# 4995 Washington Affordable Housing Project – Purchase and Sale Agreements

Finance & Governance Committee

May 14, 2024

# Agenda

- Requested Council Action
- Background and Proposed Use
- Acquisitions
- Location and Terms
- The Project
- Timeline
- Future Actions



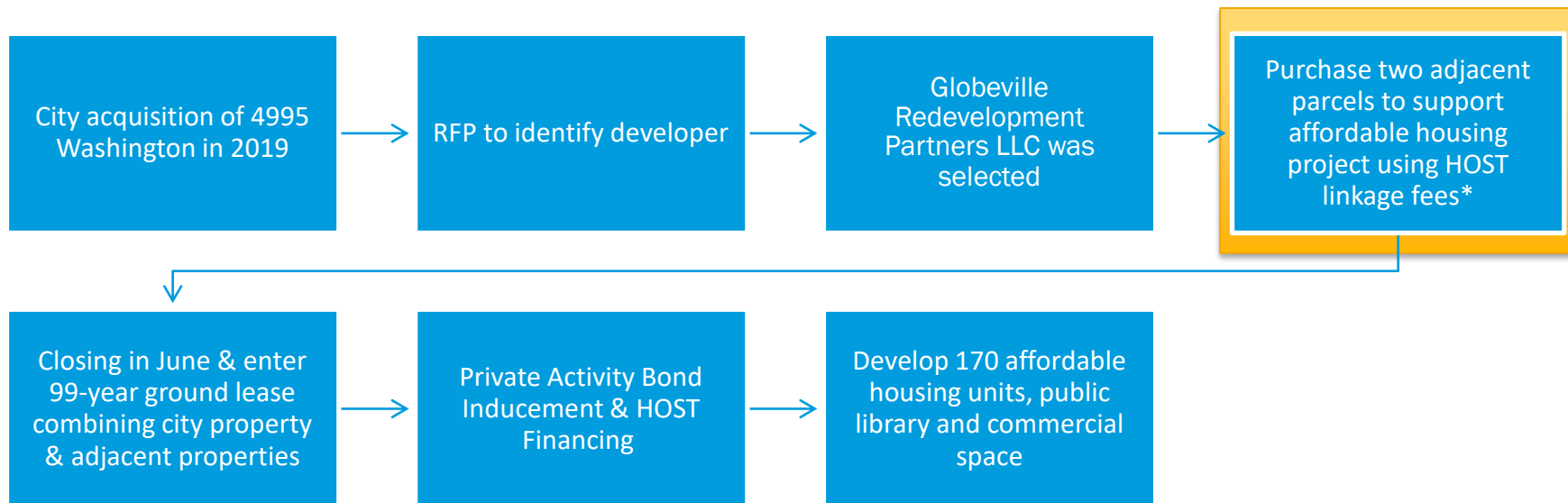
# Requested City Council Action

## Resolution Request | 24-0638

Requests City Council approval of Purchase and Sale Agreements for two adjacent parcels for the affordable housing redevelopment located at 4995 Washington Street in District 9.



# Background & Proposed Use



\*Requested Council Action

# Affordable Housing



Photos from John Ronan Architects

# Affordable Housing

170 units of housing for households earning between 30% to 80% building will include:

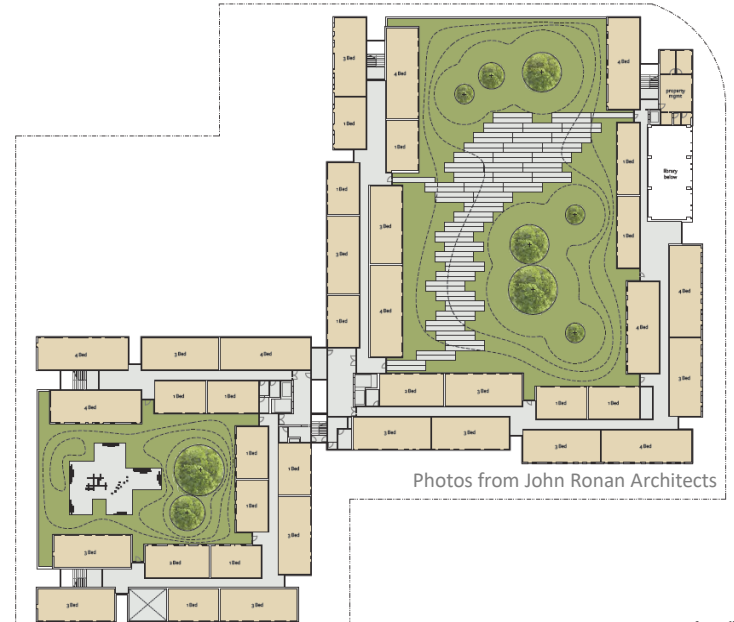
- 70 x 1-bedroom, 1-bathroom units
- 15 x 2-bedrooms, 1-bathroom units
- 52 x 3-bedroom, 2-bathroom units
- 33 x 4-bedroom, 2-bathroom units

36% of the units affordable at or below 30% of AMI

14% of the units affordable between 31% and 50% of AMI

50% of all units are 3- or 4-bedroom units

20 Permanent Supportive Housing Units



Photos from John Ronan Architects

# Globeville Public Library (funded by Elevate)

Photos from John Ronan Architects



New onsite Globeville Branch Denver Public Library with access to resources like computers, books, and community space

# Needed Acquisitions

The project requires acquiring the two adjacent parcels and combining them with the city-owned parcel, 4995 Washington Street. This larger site will provide:

- Meet 170+ unit requirement and provide the space for larger 3 and 4-bedroom units
- Provide 50,000 square feet of green space for residents
- Facilitate adequate access to the development on 50<sup>th</sup> Street
- Provide the needed space for the new Globeville Branch Denver Public Library that will be constructed on the corner of Washington and 50<sup>th</sup>



# City Property

4995 Washington Street  
Denver, CO 80216

Ownership: City and County of Denver  
Council District: 9  
Lot Size: 116,993 square feet approx.  
Zoning: G-MS-5

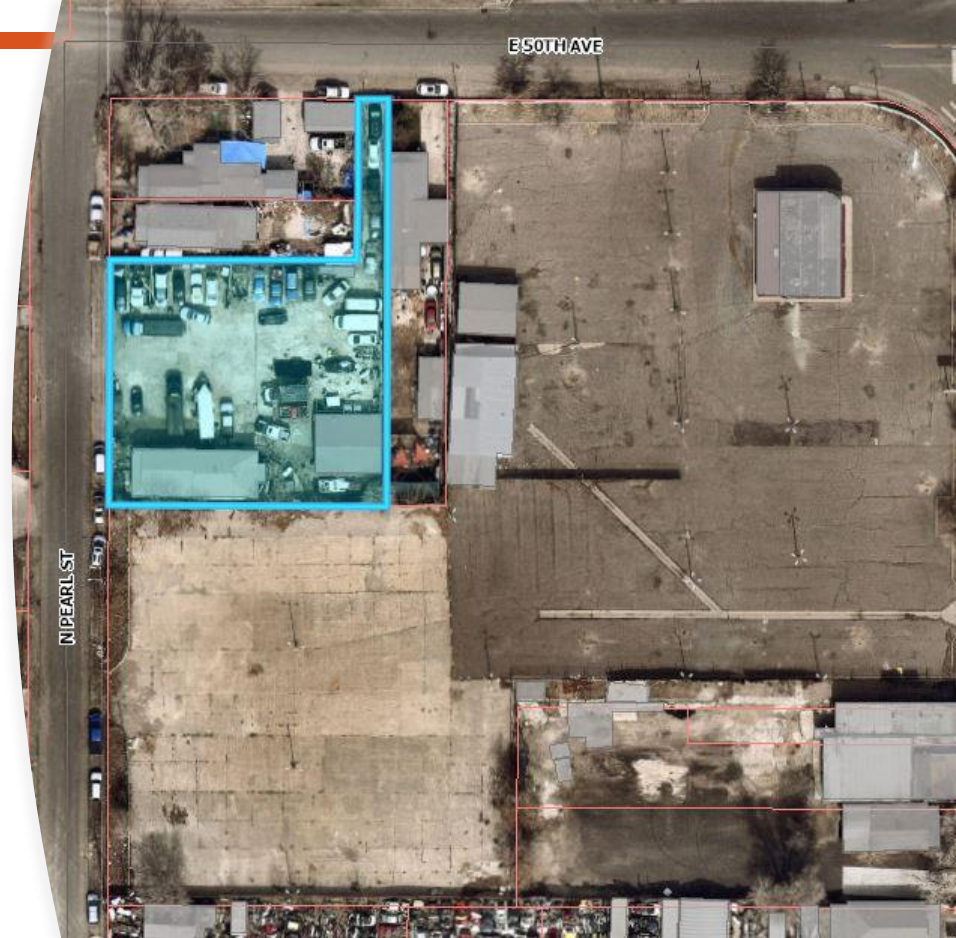


# Adjacent Property

4964 N Pearl Street  
Denver, CO 80216

Council District: 9  
Lot Size: 17,600 square feet approx.  
Zoning: G-MS-5

Seller: GRP  
Purchase Price: \$1,300,000  
Terms: CCD to acquire from GRP  
Estimated Closing: June 14th, 2024  
Funding: Reserved Local Linkage Fee funds  
from HOST

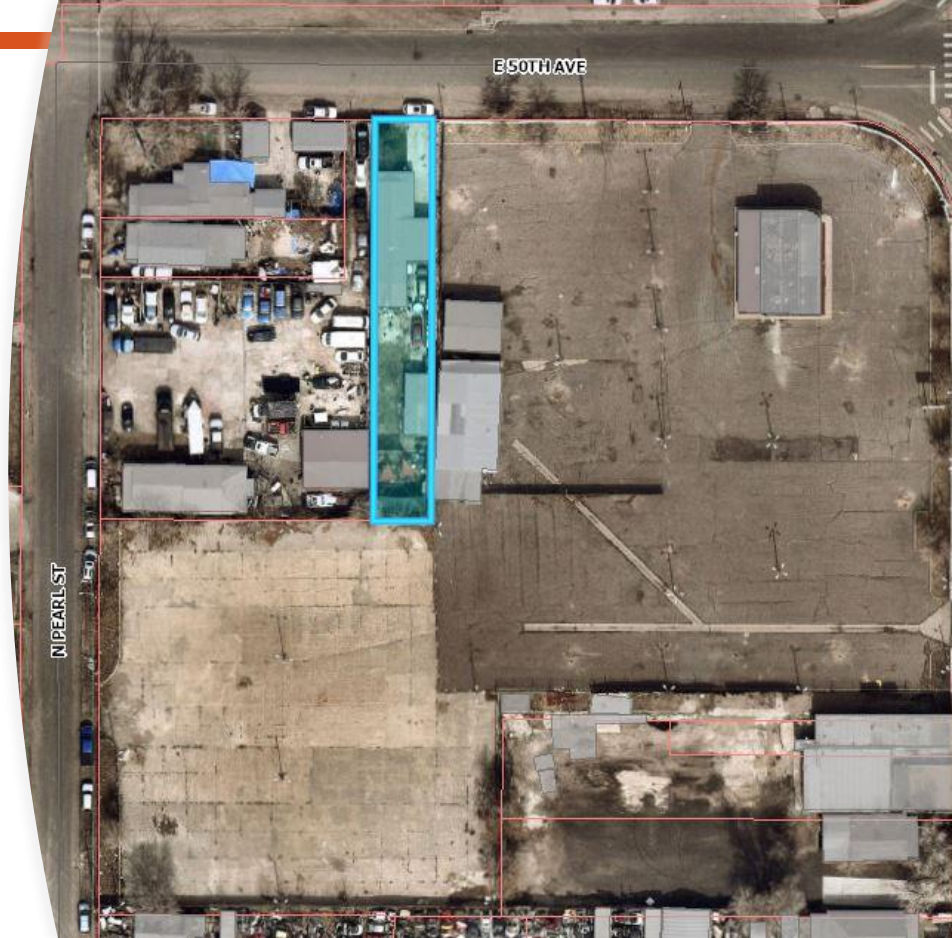


# Adjacent Property

624 E. 50th Avenue  
Denver, CO 80216

Council District: 9  
Lot Size: 6,000 square feet approx.  
Zoning: G-MS-5

Seller: GRP  
Purchase Price: \$850,000  
Terms: Terms: CCD to acquire from GRP  
Estimated Closing: June 14th, 2024  
Funding: Reserved Local Linkage Fee funds  
from HOST



# Future City Council Actions

- GRP has the option to enter a 99-year ground lease at financial closing
- HOST has approved project-based vouchers to support the project. HOST funding will be provided to the project based on the term sheet in effect at the time of application. The additional funding will help support the development project and provide some gap financing
- Private Activity Bond Inducement Resolution (secures bonds) and Issuance (right before closing)
- Once the development is complete, Denver Public Library will enter into a Purchase and Sale Agreement to acquire the Library
- Owners Association agreement between the three owners onsite



Photo from John Ronan Architects



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# Questions?



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# Appendix

# Ownership Structure

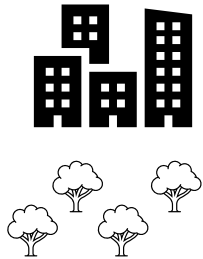
3 Proposed Owners in the Condo Association post development:

- The City and County of Denver (“CCD”) – Ownership of the Globeville Public Library and ownership of the land with a land lease to GRP and GES
- Globeville Redevelopment Partners (“GRP”) – Ownership of affordable housing units
- The GES Coalition, Inc. (“GES”) – Ownership of commercial space on ground floor



Rocky Mountain Communities will provide property management services for the development.

# Affordable Housing



Community driven design of the development through The GES Coalition, Inc. (“GESCO”) community engagement

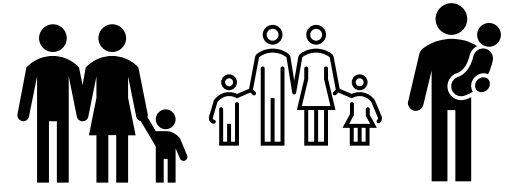
50,000 SF of green common space with trees and grass; designed for families, kids and pets

Onsite parking and bike racks

Onsite public library

Community-serving commercial spaces

Permanent Supportive Housing on-site services provided by Family Tree



3- & 4-bedroom units for families



Occupants will have access to bus line along Washington Street



# Commercial Space

**The GES Coalition, Inc. (GESC)** is a group of neighborhood leaders and community organizations working to align community health and the well-being of their neighbors through advocacy campaigns to prevent displacement of our neighbors, activate resident-driven leadership, protect historically marginalized neighborhoods, preserve affordability in housing, and promote a culture that welcomes neighbors who value our long-standing culture, interconnectedness, and commitment to equity. GESC is a community land trust based in the Globeville neighborhood.

SPACE: Approximately 4,100 square feet of commercial space will be dedicated for a community surviving purpose. This space will be owned by the GES Coalition, Inc., who is also a member of the development team and be leased to a nonprofit user. SAME Café and Prodigy Coffee at exploring the opportunity to lease space. They will require below-market rents to make their operations in this commercial space financially feasible for the long-term. This space will be built out to a white space finish and transferred as a condominium unit via a Purchase and Sale Agreement that will be executed prior to closing.

PROPOSED USES: There has historically been a dearth of food options in Globeville and GESC is has been working to bring more grocery and restaurant options to the Globeville neighborhood. Working to bring more food options to underserved communities is a major goal and focus of the Colorado Health Foundation and will support the purchase of this space by GESC.

FUNDING: This space will be paid for using a portion of the funds that will be contributed to the capital stack by Colorado Health Foundation (“CHF”).

# Timeline of Upcoming Events

2024

- Acquisition of 624 E 50<sup>th</sup> Street and 4964 N Pearl Street
- Parcel reconfiguration of all three parcels
- GRP to finalize design for construction
- Developer to submit for funding and/or vouchers and start development
- Gap financing from the City may be needed to support the project – funds from HOST have been identified and will be proposed to City Council later in the year
- Private Activity Bond inducement to City Council sometime this summer for the tax credit program financially supporting the project
- Ground lease for the development goes through City Council for approval
- Financial closing – site control agreement ends; and ground lease begins
- Amendment of the Maintenance Agreement to include the two newly acquired properties
- Demolition of buildings via a license agreement from the City

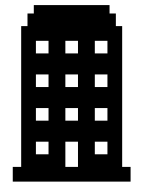


2025

- Construction continues

2026

- Construction completion
- Purchase and Sale agreement for the Library to go through City Council; RISE GO Bond funding for this acquisition.
- Finalize and execute Owner's Association Agreements between the Library (CCD), GRO and GESG as a part of the development; will require City Council approval and a Mayor appointee for the Board of Directors.



# Selection Process

GRP will process the selection process of occupants for the housing development.

Selection will be prioritized towards the criteria for the project's AMI requirements. These units will serve families with no fewer than thirty-five percent (35%) of the units in the project as affordable for households at or below 30% of the area median income ("AMI"). The project will have about 50% at or below 50% AMI.

20 support housing units will be dedicated to support families experiencing homelessness through a 20-year voucher contract with HOST – voucher can be renewed.

Project is subject to the City's Prioritization policy.