



**DENVER**  
THE MILE HIGH CITY

# **Proposed Sale**

## **7900 E. Colfax Avenue to**

### **Brothers Redevelopment, Inc.**

FOR CITY SERVICES VISIT | CALL  
**DenverGov.org** | **311**

**November \_\_\_\_, 2019**

# 7900 E. COLFAX AVENUE - SITE



In 2017, the City and County of Denver (CCD) closed on the purchase of 7900 E. Colfax from Crosscheck, LLC for \$650,000. (*Fund # 16810 - Revolving Affordable Housing Loan Fund*)

- Site was acquired with intent to create and support additional affordable housing for our community
- Location's access to amenities and transportation make location ideal for this use

In 2018, Denver Economic Development and Opportunity (DEDO) partnered with Community Planning and Development (CPD) to rezone the property from E-MS-3 (3 stories) to E-MS-5 (5 stories).

Based on community need, DEDO initiated a Request For Proposals (RFP) for a partner to provide supportive housing for those in 0-30% AMI range

- Denver's dedicated fund for Affordable Housing is guided by the Housing an Inclusive Denver Plan, which calls for 20-30% of funds to serve those experiencing homelessness
- 2019 Point in Time Count estimated 3,943 persons in homeless living situations
- Of the approximately 4,000 individuals experiencing homelessness being tracked in the OneHome coordinated entry system, 519 (13%) reported that a head injury has impacted their housing, including 20 youth and 61 families

DEDO conducted a comprehensive RFP process to select a purchaser with the capacity and expertise to complete site development as permanent supportive housing. The process included a RFP release, option for site visit, deadline for respondents to submit questions, deadline for the City to respond to questions and a RFP submission deadline.

**QUALIFICATION CRITERIA:** Respondents were ranked via a weighted scoring\* matrix according to how well they meet the following criteria points from the RFP:

1. Experience and success developing permanent supportive housing projects
2. Experience and success leveraging public financing and/or working with public sector partners
3. Development team experience
4. Financial capacity/access to capital
5. Experience in building environmentally sustainable projects
6. Project Vision and compliance with the City's sustainability goals as outlined in Executive Order 123
7. Community Engagement
8. Project Financing
9. Implementation Strategy

*\*Weighted Scoring Guide: 1- Unsatisfactory, 2 – Adequate Response, 3 – Detailed and articulate Response, 4 – Response exceeds requirements*

DEDO received 5 RFPs in total. The top three respondents received interviews. After the interviews, DEDO selected Brothers Redevelopment, Inc. as the top candidate for the project.

## QUALIFICATIONS SUMMARY

- **Experience:** BRI provides affordable housing options for more than 582 low-income elderly or family households at its 14 communities located throughout the Denver metro area.
- **Financial Capacity:** Experienced with the Low Income Housing Tax Credit application/process. Successful track record obtaining funds as needed and access to other subsidies necessary to complete the project.
- **Internal Capacity:** BRI has the bandwidth to complete this project within the scope of the redevelopment.
- **Strategy:** BRI has developed a comprehensive plan to implement the project through project completion.



# 7900 E. COLFAX AVENUE

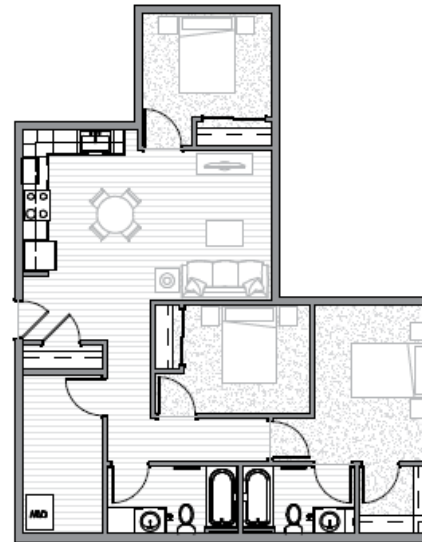
- Located at the southeast corner of N. Trenton Street and E. Colfax Avenue
- ¼ mile from planned Bus Rapid Transit
- Lot Size: 30,500 Square Feet
- Zoning: E-MS-5
- Council District: 5
- Project: Provide permanent supportive housing and on-site services to people with brain injuries that are experiencing homelessness
- Proposed 72 Affordable Housing Units, deed restricted to those earning 30% AMI or below
- Sale Price: \$10.00



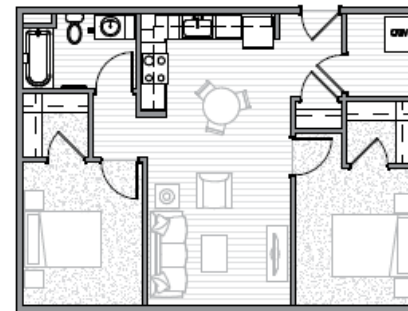
Real Estate and DEDO propose to sell 7900 E. Colfax to BRI for the sum of \$10.00, and impose a 99-year deed restriction/loan covenant requiring 72 total affordable residential units as specified in the unit mix below:

- 47 1 bed/1 bath units
- 19 2 bed/2 bath units
- 6 3 bed/2 bath units

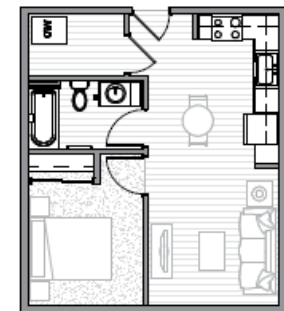
City will have right of first refusal on any future sale



**3-BEDROOM / 2-BATH**  
1090 SF



**2-BEDROOM / 1-BATH**  
820 SF



**1-BEDROOM / 1-BATH**  
525 SF





## 2019

- Purchase and Sale Agreement considered by City Council
- If PSA is approved, BRI will submit application to CHFA for low income housing tax credits

## 2020

- Construction commences
- Lease up starts
- Subsidy funds encumbered and close on financing

## 2022

- Construction is complete
- Lease up completion (targeted for March)

- A fully executed Purchase and Sale Agreement is critical for BRI to demonstrate site control to Colorado Housing & Finance Authority (CHFA) to be eligible for Low Income Housing Tax Credits.
- Currently, it is anticipated that BRI will utilize 9% low income housing tax credits, construction and permanent loan financing, funds from both the City and County of Denver and Colorado Division of Housing, as well as a significant capital contribution from BRI.

# REQUEST FOR APPROVAL

This sale supports development of critically needed permanently affordable housing providing supportive services for families experiencing homelessness and brain injuries. The Division of Real Estate requests approval of the sale of 7900 E. Colfax Avenue to Brothers Redevelopment, Inc.