

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**.

****All fields must be completed.****

Incomplete request forms will be returned to sender which may cause a delay in processing.

Date of Request: **August 3, 2015**

Please mark one: Bill Request or Resolution Request

1. Has your agency submitted this request in the last 12 months?

Yes No

If yes, please explain:

2. **Title:** *(Include a concise, one sentence description – please include name of company or contractor and contract control number - that clearly indicates the type of request: grant acceptance, contract execution, amendment, municipal code change, supplemental request, etc.)* To allow for the execution of a Master Funding Agreement between the City and County of Denver and the Colorado Housing and Finance Authority (“CHFA”) for the administration, underwriting and servicing of the City’s Revolving Affordable Housing Loan Fund (“RAHLF”).

3. **Requesting Agency:** Office of Economic Development

4. **Contact Person:** *(With actual knowledge of proposed ordinance/resolution.)*

- **Name:** Doug Selbee
- **Phone:** (720) 913-1794
- **Email:** douglas.selbee@denvergov.org

5. **Contact Person:** *(With actual knowledge of proposed ordinance/resolution who will present the item at Mayor-Council and who will be available for first and second reading, if necessary.)*

- **Name:** Susan Liehe
- **Phone:** (720) 913-1689 (o) 720-480-3481 (c)
- **Email:** susan.liehe@denvergov.org

6. **General description of proposed ordinance including contract scope of work if applicable:** The City has established from its General Fund a Revolving Affordable Housing Loan Fund (RAHLF) designed to leverage other public and private funding sources to stimulate the creation of affordable housing. The proposed ordinance is to approve a contract with the Colorado Housing and Finance Authority to administer, underwrite and service loans made under the RAHLF. The intention of the Agreement is to leverage CHFA’s extensive affordable housing lending infrastructure to reduce the administrative costs of the RAHLF program. CHFA’s administrative fees will be paid by borrowers.

*****Please complete the following fields:*** *(Incomplete fields may result in a delay in processing. If a field is not applicable, please enter N/A for that field.)*

a. **Contract Control Number:** NA

b. **Duration:** NA

c. **Location:** City and County of Denver

d. **Affected Council District:** NA

e. **Benefits:** The Revolving Affordable Housing Loan Fund will create or preserve at least 1500 affordable housing units over the next 15 years.

f. **Costs:** The City has already committed a \$6 million investment in the RAHLF. Costs associated with CHFA’s administration of the RAHLF will be covered by borrowers in the form of application and origination fees, and a portion of the interest rate paid by borrowers.

7. **Is there any controversy surrounding this ordinance?** *(Groups or individuals who may have concerns about it?)* **Please explain** No.

EXECUTIVE SUMMARY

Fund and Organization Number, including Grant Number if known: NA

The grantor, grant amount, and start/end dates: NA

CFDA Number and Contract Control Number: NA

Grant objectives (e.g. target population, geographic area served): NA

Matching dollar amounts and staffing requirements, and the funding source of the match: NA

Evaluation component: NA

For multiple year projects, list previous accomplishments: NA

In February 2015, the Mayor announced the commitment of \$6 million from the City to a new Revolving Affordable Housing Loan Fund (“RAHLF”). RAHLF will be used to leverage public and private resources to support a range of housing production, and will be used in conjunction with financing sources including but not limited to: private institutional lenders, tax exempt and taxable bond proceeds, HOME, CDBG, other State assistance, other OED funds, 4% and 9% Low Income Housing Tax Credits and/or funds or debt provided by CHFA and other institutions. Initially, RAHLF will be used to provide subordinated debt and as a “gap” financing source for multifamily projects including 4% LIHTC bond transactions.

The proposed ordinance is an Agreement with the Colorado Housing and Finance Authority (“CHFA”) for the administration, underwriting, and servicing of the RAHLF. CHFA is a public enterprise that both finances affordable housing in Colorado and administers a variety of external housing finance sources, including the state and federal Low-Income Housing Tax Credit programs. This new Fund is seeded with \$6 million from the City, along with \$3 million from the State of Colorado Department of Local Affairs and \$1 million from CHFA.

Funds will be transferred to CHFA via a special, limited obligation of CHFA payable solely from RAHLF proceeds; in other words, CHFA will bear no liability for defaults on loans made through the RAHLF. The proposed Agreement includes program guidelines, a term sheet, and a fee schedule that outline the respective rights and responsibilities of the City and CHFA in detail.