

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: 8/1/2016

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.)*

Creates a loan agreement between the Denver Office of Economic Development and La Clinica Tepeyac, Inc (dba Clinica Tepeyac) for \$1,050,000 in CDBG funds (HUD) structured as a combination repaying loan and performance loan to provide acquisition financing for clinic and administrative space located at 4725 High Street.

3. Requesting Agency: Office of Economic Development

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

- **Name:** Julianne Stern
- **Phone:** 720-913-1605
- **Email:** julianne.stern@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
- **Email:** susan.liehe@denvergov.org

6. General description of proposed ordinance including contract scope of work if applicable:

Creates a loan agreement between the Denver Office of Economic Development and La Clinica Tepeyac, Inc (dba Clinica Tepeyac) for \$1,050,000 in CDBG funds (HUD) structured as a combination repaying loan and performance loan to provide acquisition financing for clinic and administrative space located at 4725 High Street. Clinica Tepeyac is a 501(c)3 and Federally Qualified Health Center that provides medical, mental and behavioral health clinic services to low-income residents in the Globeville and Elyria Swansea neighborhoods.

****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:** OEDEV-201629516
- b. **Duration:** 15 years
- c. **Location:** 4725 High Street, Denver, CO 80216
- d. **Affected Council District:** 9
- e. **Benefits:** Health care services
- f. **Costs:** \$1,050,000 in CDBG Funds

7. Is there any controversy surrounding this ordinance? (Groups or individuals who may have concerns about it?) Please explain

None known

To be completed by Mayor's Legislative Team:

SIRE Tracking Number: _____

Date Entered: _____

ORDINANCE/RESOLUTION REQUEST

Executive Summary

Purpose: This request is to approve \$1,050,000 in CDBG funds structured as a fully amortizing 15-year loan for \$800,000 and a 7-year performance loan for \$250,000. The loan will finance the acquisition by La Clinica Tepeyac of property located at 4725 High Street for behavioral health and health promotion services and administrative use.

Contract Entity: La Clinica Tepeyac, Inc (dba Clinica Tepeyac)

Contract Control Number: OEDEV-201629516

Contract Amount: \$1,050,000

Program: CDBG

Location: 4725 High Street, Denver, CO 80216

Description: Clinica Tepeyac is a 501(c)3 non-profit corporation and Federally Qualified Health Center with a mission to provide culturally competent health care and preventative health services for the medically underserved. Clinica Tepeyac was formed in 1994 through a community-driven process and today provides health care services to over 4,500 low-income patients each year in the Globeville and Elyria Swansea neighborhoods.

Clinica Tepeyac has occupied the subject property as a tenant since 2013. The space is used to provide behavioral health and health promotion services as well as administrative functions, and complements Clinica Tepeyac's medical clinic space at 5075 Lincoln Street. The purpose of this loan is to enable Clinica Tepeyac to purchase this property to support the organization's financial sustainability and ensure that Clinica Tepeyac can continue to provide health services to the Globeville and Elyria Swansea community.

The financing request is for \$1,050,000 of CDBG funds, split into an \$800,000 loan with a term of 15 years and fully amortizing payments at an interest rate of 1.5%; and a \$250,000 7-year performance loan for which payments will be deferred and forgiven on the condition that Clinica Tepeyac continues to use the space to provide the same services.

In addition to fulfilling the CDBG National Objective of serving an area in which 51% or more of residents are of low and moderate income, the vast majority of Clinica Tepeyac's patients that Clinica Tepeyac serves are low income. In 2014, 97% of patients served earned less than 200% of the federal poverty level and 70-80% were uninsured.

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