

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by 9 a.m. Friday. Contact the Mayor's Legislative team with questions

Date of Request: 8/30/2024

Please mark one: Bill Request or Resolution Request

Please mark one: The request directly impacts developments, projects, contracts, resolutions, or bills that involve property and impact within .5 miles of the South Platte River from Denver's northern to southern boundary? (Check map [HERE](#))

Yes No

1. Type of Request:

Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment

Dedication/Vacation Appropriation/Supplemental DRMC Change

Other:

2. Title: Approves a Purchase and Sale Agreement between Denver 44th Avenue, LLC (seller) and the City and County of Denver (buyer) for the residential reentry facility located at 570 W. 44th Avenue, Denver, Colorado, for \$26.2M. (202475759-00).

3. Requesting Agency: Department of Finance

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution (e.g., subject matter expert)	Contact person for council members or mayor-council
Name: Lisa Lumley	Name: Carolina Flores
Email: Lisa.Lumley@denvergov.org	Email: Carolina.flores@denvergov.org

5. General description or background of proposed request. Attach executive summary if more space needed:
See Executive Summary

6. City Attorney assigned to this request (if applicable): Brad Beck

7. City Council District: 9

8. **For all contracts, fill out and submit accompanying Key Contract Terms worksheet**

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property): Purchase and Sale Agreement

Vendor/Contractor Name (including any dba's): Denver 44th Avenue, LLC

Contract control number (legacy and new): 202475759-00

Location: 470 W. 44th Avenue, Denver, Colorado

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many?** _____

Contract Term/Duration (for amended contracts, include existing term dates and amended dates): Approximately 10/1/24 – 12/31/2024

Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Current Contract Amount</i> (A)	<i>Additional Funds</i> (B)	<i>Total Contract Amount</i> (A+B)
\$26,200,000	n/a	\$26,200,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
10/1/24	n/a	12/31/24

Scope of work: Purchase of the community correction facility located at 470 W. 44th Avenue, Denver, Colorado

Was this contractor selected by competitive process? No

If not, why not? City is an existing tenant.

Has this contractor provided these services to the City before? Yes No

Source of funds: Community Corrections SRF 12303

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts): N/A

Who are the subcontractors to this contract? N/A

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Executive Summary

In 2023 Denver City Council approved a lease agreement between the City and County of Denver and Denver 44th Avenue, LLC (“Landlord”) for a building now used as a residential reentry facility. Terms of the lease agreement included delivery of the space as turnkey (tenant improvements included in the rent). The city took occupancy when construction was completed in June 2024. The lease agreement also included a Right of First Offer to Purchase (“ROFO”).

On June 10, 2024, the Landlord notified the city it was activating the ROFO notice because the Landlord intends to sell the property. Acquisition of 570 W. 44th Avenue ensures the city has permanent control of this specialized facility. The purchase will be financed with Certificates of Participation (“COP”), which will be presented to City Council under a separate action. Current lease payments will be redirected to cover the annual COP payments. The transaction is expected to be cost-neutral to the city budget.

570 W. 44th Avenue operates as a residential reentry facility for individuals returning from incarceration. The use of this facility has allowed the city to address the system’s bed deficit. The building has capacity for up to 100 beds.

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