

## ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team  
at [MileHighOrdinance@DenverGov.org](mailto: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: 5/22/2015

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.)*

The Office of Economic Development requests approval of a contract to provide a \$1,700,000 loan to St. Charles Town Company for costs related to the relocation of residents of the Shady Nook and Belmont Mobile Home Parks.

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:** Doug.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:** Seneca Holmes
- **Phone:** 720-913-1533
- **Email:** Seneca.Holmes@DenverGov.org

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

The Denver Office of Economic Development (OED) is proposing to contract with the St. Charles Town Company (SCTC) to provide \$1,700,000 in Community Development Block Grant (CDBG) funds for the relocation of approximately 70 families living at the Shady Nook and Belmont Mobile Home Park. Relocation of these families is necessary for the construction of a new 197 unit affordable housing development on the mobile home sites. Per HUD requirements, existing eligible residents of the Belmont and Shady Nook Mobile Home Parks are entitled to relocation benefits that include financial assistance for moving costs and replacement housing. All replacement housing must meet the HUD standard for decent, safe, and sanitary housing.

**\*\*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:** TBD
- b. **Duration:** 40 years
- c. **Location:** 4406-4407 Morrison Rd., 4325-4404 Morrison Rd.
- d. **Affected Council District:** Council District 3
- e. **Benefits:** Improved housing condition for residents of the Shady Nook & Belmont Mobile Home Parks and eventual development of a new 197 unit affordable housing development
- f. **Costs:** Up to \$1,700,000 in Community Development Block Grant (CDBG) Funds

7. **Is there any controversy surrounding this ordinance?** None known.

*(Groups or individuals who may have concerns about it?)* Please explain

*To be completed by Mayor's Legislative Team:*

SIRE Tracking Number: \_\_\_\_\_

Date Entered: \_\_\_\_\_

## **EXECUTIVE SUMMARY**

### **St. Charles Town Company-Relocation Loan**

#### **Overview**

In August of 2014, City Council approved a \$2M Office of Economic Development (OED) loan to the St. Charles Town Company (SCTC) for the acquisition of the Shady Nook and Belmont Mobile Home Parks. The housing conditions at the existing mobile home park are understood to be a health and safety risk to the residents, many of whom are children. Consequently, the mobile home sites are to be demolished and redeveloped into a 197 unit affordable housing project serving residents at 60% area median income (AMI) and below.

By virtue of using HUD funds in the acquisition of the Shady Nook and Belmont properties, existing eligible residents are entitled to a formula based relocation package. That package includes compensation for the mobile homes on the site and financial assistance for moving expenses and replacement housing. HUD requires that any replacement housing meet their definition of decent, safe and sanitary and have an adequate number of bedrooms based on family size.

The Office of Economic Development is providing a \$1.7M loan to assist in the relocation of the Shady Nook and Belmont residents. The City's investment in resident relocation will have the added benefit of buying down future rents on the new housing development.

**Contract amount(s):** \$1,700,000

**Source of funds:** Community Development Block Grant (CDBG)

**Rate:** 0%

**Term:** 40 years

**Maturity:** The loan will be due on sale of the property, except in the event that the affordability covenant remains in place, in which case the loan will be assumable by a buyer/transferee.

**Benefits:** The \$1.7M loan will have the immediate benefit of relocating approximately 70 families into decent safe and sanitary housing. The relocation will also make way for the development of 197 units of affordable housing, while eliminating a source of blight in the neighborhood.

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