

**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:** 5/2/16

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.)*

Approves an escrow agreement and the creation of an escrow account between KUH Utica, LLC and Mirador, LLC, US Bank, and the City and County of Denver in the amount of \$949,879. This agreement is created in conformance with Denver’s Inclusionary Housing Ordinance (IHO), which allows for the alternative satisfaction of affordable units, in this case a nearby off-site production.

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

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

- **Name:** Stephanie Inderwiesen
- **Phone:** (720) 913-1634
- **Email:** stephanie.inderwiesen@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/resolution including contract scope of work if applicable:**

Approves an escrow agreement and the creation of an escrow account between KUH Utica, LLC and Mirador, LLC, US Bank, and the City and County of Denver in the amount of \$949,879. This escrow agreement conforms to the Inclusionary Housing Ordinance requirement of an alternative satisfaction agreement by KUH Utica, LLC and Mirador, LLC to provide affordable units at an off-site location. These funds will be utilized by Marycrest Land, LLC and UVCoHousing, LLC to create nine affordable for-sale units available to households earning eighty percent (80%) area median income (AMI) or less. The agreement to create these off-site units will provide an additional housing benefit to the City in the form of one additional affordable unit in excess of the IHO requirement.

*\*\*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:**
- b. Duration:** June 1, 2016 – June 1, 2018
- c. Location:** 4625 W. 50th Avenue

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

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

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

d. **Affected Council District:** 1

e. **Benefits:** Provides nine (9) affordable for sale housing units to households earning 80% AMI or less.

f. **Costs:** \$0.00 City funds  
 \$949,879 KUH Utica, LLC and Mirador, LLC

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

**EXECUTIVE SUMMARY (if applicable)**

- **Fund and Organization Number, including Grant Number if known:** \_\_\_\_\_
- **The grantor, grant amount, and start/end dates:** N/A
- **CFDA Number and Contract Control Number:** N/A
- **Grant objectives (e.g. target population, geographic area served):** To provide affordable for-sale housing to households earning at or below 80% AMI.
- **Matching dollar amounts and staffing requirements, and the funding source of the match:** None
- **Evaluation component:** Construction milestones; sale of affordable units to income eligible households.
- **For multiple year projects, list previous accomplishments:** N/A

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 The Office of Economic Development (OED) is requesting approval of an escrow agreement and the creation of an escrow account between KUH Utica, LLC and Mirador, LLC, US Bank, and the City and County of Denver in the amount of \$949,879.

**Background**

Denver’s Inclusionary Housing Ordinance, amended in 2014, requires all developments of 30 or more for-sale units to provide ten percent (10%) of those units as affordable to households earning 80% AMI or 95% AMI, depending on the build type. In lieu of building the required affordable units on-site, the developer may propose an alternative compliance to provide the affordable units at a different site within a proximate statistical neighborhood. In addition, the developer may partner with a third-party developer for the off-site replacement units. The city requires a three-party escrow account agreement for deposit by the developer of the donation to the third party. As part of the escrow agreement, the OED Housing Director shall sign for the release of draws by the third party based on agreed upon construction milestones. The costs of these individual escrow agreements shall be paid through the donation amount, not by the City. Individual off-site project escrow agreements shall be entered into for each project and shall follow all city standard contracting processes.

**Project Specifics**

KUH Utica, LLC and Mirador, LLC are the Applicant/developers of a new construction, for sale development located at 4625 W. 50<sup>th</sup> Avenue - titled “5390 Residential Community”. This project will consist of 78 total units, of which eight (8) affordable units would be required under the IHO. In lieu of building the required eight affordable units on-site, KUH Utica, LLC and Mirador, LLC have partnered with Marycrest Land, LLC and UVCoHousing, LLC to provide nine affordable units off-site at the Aria Denver and Aria Cohousing Community sites, located at 2851 W. 52<sup>nd</sup> Avenue, 2835 W. Parkside Place, and 2861 W. 52<sup>nd</sup> Avenue.

5390 Residential 4625 W. 50th Avenue				Aria 2851 & 2861 W. 52nd Ave. 2835 W. Parkside Place		
<i>IHO Requirement</i>				<i>IHO Alternative Proposal</i>		
# Units	IHO Req.	Type	AMI	# AH Units	Type	AMI
9	1	1 bedroom	95%	0	1 bedroom	95%
18	2	2 bedroom	95%	0	2 bedroom	95%
30	3	2 bedroom	80%	6	1 bedroom	80%
21	2	3 bedroom	80%	3	2 bedroom	80%
78	8			9		

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