

**ORDINANCE/RESOLUTION REQUEST**

Please email requests to the Mayor’s Legislative Team

at [MileHighOrdinance@DenverGov.org](mailto:MileHighOrdinance@DenverGov.org) by **9:00 a.m. on Friday**. Contact the Mayor’s Legislative team with questions

**Date of Request: 11/08/23**

Please mark one:  **Bill Request** or  **Resolution Request**

**1. Type of Request:**

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

**Dedication/Vacation**  **Appropriation/Supplemental**  **DRMC Change**

**Other:**

**2. Title:** (Start with *approves, amends, dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Authorizes an amendment to a contract with Bluff Mercy, LLC through contract control number HOST202371165-02 to add \$300,000.00 and one year through 12/31/2024 for supportive services and housing subsidy for formerly homeless households.

**3. Requesting Agency:** Department of Housing Stability (HOST)

**4. Contact Person:**

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Dave Riggs	Name: Chris Lowell
Email: <a href="mailto:dave.riggs@denvergov.org">dave.riggs@denvergov.org</a>	Email: <a href="mailto:Christopher.Lowell@denvergov.org">Christopher.Lowell@denvergov.org</a>

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

Bluff Mercy will provide thirty-one (31) rental units at Bluff Lake Apartments, located at 10425 E 31<sup>st</sup> Avenue, Denver, CO to households formerly experiencing homelessness whose income is equal to or less than 30% of the area median gross income (AMI).

**6. City Attorney assigned to this request (if applicable):** Eliot Schaefer

**7. City Council District:** District 8

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

*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):**

Professional Services > \$500K

**Vendor/Contractor Name:** Bluff Mercy, LLC

**Contract control number:** HOST-202371165-02

**Location:** 1600 Broadway, Suite 2000, Denver, CO 80202

**Is this a new contract?**  Yes  No **Is this an Amendment?**  Yes  No **If yes, how many?** 2

**Contract Term/Duration (for amended contracts, include existing term dates and amended dates):**

HOST-202057233 1/1/21 – 12/31/23  
 HOST-202262755-01 1/1/21 – 12/31/23  
 HOST-202371165-02 1/1/21 – 12/31/24

**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)
\$900,000	\$300,000	\$1,200,000

  

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
1/1/21 – 12/31/23	One year	12/31/24

**Scope of work:**

**II. SERVICES DESCRIPTION**

- A. The contractor will provide thirty-one (31) rental units at Bluff Lake Apartments, located at 10425 E 31<sup>st</sup> Avenue, Denver, CO to households formerly experiencing homelessness whose income is equal to or less than 30% of the area median gross income (AMI) at the time they initially lease a unit.
  - i. 100% of all vacancies of these 31 units must be filled with referrals from the OneHome System. A 30-day notice will be sent to all wait list applicants prior to changes being implemented.
  
- B. The contractor will be entitled to be reimbursed by the City for a Monthly Rental Subsidy in an amount not to exceed \$19,445 per month for the 31 units designated for the 30% and below AMI units for people formerly experiencing homelessness. The Monthly Rental Subsidy may be billed to the City every 30 days using a per unit basis.
  - i. The Monthly Rental Subsidy amount is calculated as the difference between the actual tenant rent collected from the 30% AMI households and the HOST Fair Market Rent (FMR) as periodically established.
  - ii. The Tenant Rent Contribution shall be established by the contractor on the condition that the tenant rent contribution shall not exceed 30% of HOST Fair Market Rents.
  - iii. The contractor requires that a prospective household have a minimum income of 2x their portion of rent where their portion of rent is equal to 30% of the HOST FMR.
  - iv. Bluff Mercy, LLC will show the actual tenant rent paid as well as the amount to be reimbursed for each unit on the invoice.
  - v. HOST will compensate Bluff Mercy, LLC up to 30 days at the HOST FMR rate for unoccupied rental units in the 31 units designated for the 30% and below AMI.
  - vi. The HOST FMR Rate per bedroom size is as follows:

<u>Number of Units</u>	<u>Unit Type</u>	<u>HOST FMR</u>
13	1BR/1BA	\$759
16	2BR/2BA	\$925
2	3BR/2BA	\$1,304

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- C. The contractor will make its best efforts to enter either of two types of Housing Assistance Payments (HAP) contracts with the Denver Housing Authority. Although the referral for the 31 HOST specified units originate from the OneHome Coordinated Entry System, Mercy reserves the right to accept or deny any residents based upon the pre-established criteria detailed in the Resident Selection Criteria.
  - i. If tenants receive Housing Choice Vouchers, Housing Assistance Payments (HAP) or Section 8 vouchers and reside in one of the 31 units reserved for 30% AMI or below, the amount of the voucher or HAP contracts will be subtracted from the Monthly Rental Subsidy request submitted to the City.
  
- D. The contractor will provide Resident Services Coordination onsite to the 31 households receiving the rental subsidy. These activities are subject to COVID restrictions. As required by State and local Departments of Health or at the discretion of Mercy Housing Management, there are times in which these and other community activities may be canceled or occur virtually. This service coordination will include, but not limited to the following activities.
  - i. Economic Development
  - ii. Financial Stability
    - 1. Job Application Assistance
    - 2. Resume Writing
    - 3. Technology Literacy (Word, Excel, PowerPoint)
    - 4. GED Test Prep
    - 5. EITC Education
    - 6. Tax Prep
  - iii. Housing Stability
    - 1. Lease Education Groups
    - 2. Rental Assistance Referrals
    - 3. Eviction Prevention Coaching
    - 4. Housing Search Options
    - 5. Housing Application Assistance
  - iv. Community
    - 1. Leadership Tours
    - 2. Public Speaking Prep + Engagement
    - 3. Community Safety Initiatives + Education
    - 4. Encouraging Community Leadership Opportunities
  - v. Education
    - 1. After School Programming
    - 2. Educational field trips
    - 3. Science, Math, Reading Literacy Engagement
    - 4. Snack prep
    - 5. Anti-bullying programming
    - 6. Homework help

**Was this contractor selected by competitive process? Yes If not, why not?**

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

**Source of funds:** General Fund

**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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