

# 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**. Contact the Mayor's Legislative team with questions

Please mark one:  Bill Request or  Resolution Request Date of Request: 01/27/2020

## 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.)

Amends a Loan Agreement between the City and County of Denver and Habitat for Humanity of Metro Denver to align requirements with Habitat's new 90-year covenant, as well as allowing subsequent sales to households at or below 100% AMI, and adding an exhibit describing long term compliance requirements.

3. **Requesting Agency:** Department of Housing Stability

## 4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Jennifer Siegel	Name: Jennifer Siegel
Email: Jennifer.siegel@denvergov.org	Email: Jennifer.siegel@denvergov.org

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

**(\*No new funds are requested\*)**

In a loan agreement dated April 17, 2018 and a subsequent amendment on January 10, 2019, the City of Denver provided \$2,250,000 to Habitat for Humanity of Metro Denver ("Habitat") for land acquisition and hard construction costs to develop 32 homeownership units for sale to households at or below 80% of the Area Median Income ("AMI") at 43<sup>rd</sup> and Elizabeth St. for an affordability period of at least 60 years. In all Denver projects, Habitat records their City-approved covenant as the instrument of affordability. This loan agreement required all subsequent sales to be made to households at or below 80% of the AMI until the 21<sup>st</sup> anniversary of the recordation of the covenant. At that point, homes could be sold to households up to 100% AMI.

Since the loan agreement was executed, Habitat and the Department of Housing Stability have agreed to utilize a new Habitat covenant that extends the affordability period to 90 years but allows all subsequent sales to households at or below 100% AMI. This amendment will revise the loan agreement language to allow subsequent sales to households at or below 100% AMI immediately, not after 21 years, to align with Habitat's new 90-year covenant.

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

7. **City Council District:** 9

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

## Key Contract Terms

**Type of Contract:** Loan Agreement > \$500,000

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

Resolution/Bill Number: RR20 0094

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

**Vendor/Contractor Name:** Habitat for Humanity of Metro Denver

**Contract control number:** OEDEV-201736287-02

**Location:** 3245 Eliot St  
Denver CO 80211

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):**  
04/17/2018 until covenant expiration.

**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)
\$2,250,000	N/A	\$2,250,000

  

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
04/17/2018 to covenant expiration	N/A	N/A

**Scope of work:**

Funds were used for land acquisition and hard construction costs to develop 32 homeownership units. Construction is nearly complete and the first buyers are ready to purchase their new homes. As units are sold, Habitat will record their City-approved covenant that will ensure the homes are initially sold to households at or below 80% AMI and subsequently sold to households at or below 100% AMI for 90 years. Additionally, Habitat will be responsible for long-term compliance subject to oversight from the City.

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

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

**Source of funds:** Department of Housing Stability (formerly OED/DEDO) – Dedicated Funds, Linkage Fee, City General Housing Fund

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

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

**Who are the subcontractors to this contract?** N/A

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