

## 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: 8/30/21

### 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.)

Approves a performance loan to REDI Corporation. through contract control number HOST-202160196 for \$1,500,000, to construct a 50-unit housing project called Rhonda's Place with 49 affordable units and one manager unit: serving the chronically homeless.

### 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: Megan Yonke	Name: Elvis Rubio
Email: Megan.Yonke@denvergov.org	Email: Elvis.Rubio@denvergov.org

### 5. General description or background of proposed request. Attach executive summary if more space needed: (in this section, please describe what the additional funding will support if it is an amendment)

- a. **Contract Control Number:** HOST-202160196  
b. **Duration:** 60 years  
c. **Location:** 203 South Federal Blvd., Denver, CO  
d. **Affected Council District:** 3  
e. **Benefits:** Supportive housing for those experiencing homelessness  
f. **Costs:** \$1,500,000

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

### 7. City Council District: 3

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

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR21 1014

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

## Key Contract Terms

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

**Vendor/Contractor Name:** REDI Corporation

**Contract control number:** HOST-202160196

**Location:** 203 S. Federal Blvd.

**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): 11/1/2021-10/31/2081

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

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
(A)	(B)	(A+B)
\$1,500,000		\$1,500,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
11/1/2021 – 10/31/2081		10/31/2081

### Scope of work:

See executive summary.

**Was this contractor selected by competitive process?** Yes, 4% + State LIHTC **If not, why not?**

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

### Source of funds:

**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?** Unknown

### Executive Summary

REDI Corporation will construct a 50 one-bedroom unit building on South Federal Boulevard as a non-D3 project serving those experiencing homelessness. Forty-nine of these units will be affordable at 30% of AMI, and one unit will be a unit for an on-site manager. The mission of REDI is “to provide special needs persons with affordable housing facilities and services specifically designed to meet their physical, social and psychological needs and to promote their health, security and happiness.” Rhonda’s Place will allow individuals who use wheelchairs to approach, enter, and use all common spaces. The design will comply with UFAS, 24 C.F.R. 40, ADA Standards (where applicable), and Appendix A to 28 C.F.R. 36. The building will offer an elevator, so all floors are accessible. Three units will be reserved for persons with mobility disabilities and 1 unit will be reserved for persons with hearing or visual disabilities. Fifty percent of the unit tenants will be sourced from OneHome. REDI Corporation is contracting with BlueLine Development to complete the buildout. REDI Corporation is requesting \$1,500,000 in housing development gap financing (\$30,612 per unit of the 49 units) and \$825,000 in services gap financing (\$1,122 per unit per year for 15 years). The total development cost is

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\$16,057,714 (\$321,154 per unit for 50 units). REDI will record a 60-year covenant and a collateralized deed of trust. Construction complete est. Fall 2022; Residents begin moving in Dec. 2022

An ordinance request to award a PAB allocation and authorize the issuance of \$9 million of private activity bonds is currently going through the city council process and was presented to the Finance and Governance Committee on August 24, 2021. The PAB will support the 4% State Low Income Housing Tax Credit (LIHTC) transaction bonds for The Rhonda's Place project.

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