



## Legislation Details (With Text)

**File #:** 23-1796      **Version:** 1

**Type:** Resolution      **Status:** Adopted

**File created:** 11/12/2023      **In control:** Safety, Housing, Education & Homelessness Committee

**On agenda:** 12/4/2023      **Final action:** 12/4/2023

**Title:** A resolution approving a proposed Second Amendatory Agreement between the City and County of Denver and Bluff Mercy, LLC to provide supportive services and housing subsidies for formerly homeless households, in Council District 8. Amends a contract with Bluff Mercy, LLC (20257233) to add \$300,000 for a new total of \$1,200,000 and one additional year for a new end term of 12-31-2024 to provide supportive services and housing subsidies for formerly homeless households, in Council District 8. 202371165-02. The last regularly scheduled Council meeting within the 30-day review period is on 12-18-2023. The Committee approved filing this item at its meeting on 11-22-2023.

**Sponsors:**

**Indexes:** Anne Wallace

**Code sections:**

**Attachments:** 1. RR23-1796\_HOST\_Mercy Bluff Resolution Request, 2. 23-1796 Filed Resolution\_Bluff Mercy, LLC, 3. 23-1796\_Agmt\_Bluff+Mercy+LLC+-+PSH+Bluff+Lakes, 4. 23-1796 Filed Resolution\_Bluff Mercy, LLC, 5. 23-1796\_signed

Date	Ver.	Action By	Action	Result
12/4/2023	1	Council President	signed	
12/4/2023	1	City Council	adopted	Pass
11/22/2023	1	Safety, Housing, Education & Homelessness Committee	approved by consent	Pass

### Contract Request Template (Contracts; IGAs; Leases)

**Date Submitted: 11-20-2023**

**Requesting Agency: HOST**  
**Division:**

**Subject Matter Expert Name: Chris Lowell**  
**Email Address:** [Christopher.lowell@denvergov.org](mailto:Christopher.lowell@denvergov.org)  
[<mailto:Christopher.lowell@denvergov.org>](mailto:Christopher.lowell@denvergov.org)

**Phone Number:**

**Item Title & Description:**

*(Do not delete the following instructions)*  
*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

**A resolution approving a proposed Second Amendatory Agreement between the City and County of Denver and Bluff Mercy, LLC to provide supportive services and housing subsidies for formerly homeless households, in Council District 8.**

Amends a contract with Bluff Mercy, LLC (20257233) to add \$300,000 for a new total of \$1,200,000 and one additional year for a new end term of 12-31-2024 to provide supportive services and housing subsidies for formerly homeless households, in Council District 8. 202371165-02. The last regularly scheduled Council meeting within the 30-day review period is on 12-18-2023. The Committee approved filing this item at its meeting on 11-22-2023.

**Affected Council District(s) or citywide?**

**Council District 8**

**Contract Control Number:**

**202371165-02**

**Vendor/Contractor Name (including any "DBA"):**

**Bluff Mercy, LLC**

**Type and Scope of services to be performed:**

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
  
- 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

**Location (if applicable):**

**WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts):**

**XO101**

**Are WBE/MBE/DBE goals met (if applicable)?**

N/A

**Is the contract new/a renewal/extension or amendment?**

amendment

**Was this contractor selected by competitive process or sole source?**

**Competitive process**

**For New contracts**

**Term of initial contract:**

**Options for Renewal:**

**How many renewals (i.e. up to 2 renewals)?**

**Term of any renewals (i.e. 1 year each):**

**Cost of initial contract term:**

**Cost of any renewals:**

**Total contract value council is approving if all renewals exercised:**

**For Amendments/Renewals Extensions:**

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