City and County of Denver

City and County Building
1437 Bannock St.
Denver, CO 80202

Legislation Details (With Text)

File #:	20-0509	**Version:**	1
Type:	Resolution	**Status:**	Adopted
File created:	5/22/2020	**In control:**	Safety, Housing, Education & Homelessness Committee
On agenda:	6/29/2020	**Final action:**	7/13/2020

Title: A resolution approving a proposed Loan Agreement between the City and County of Denver and Elevation Community Land Trust, LLC to finance the acquisition, rehabilitation, or construction of for-sale affordable housing units.
Approves a performance loan agreement with Elevation Community Land Trust, LLC for $3,000,000 and for 99 years to support the acquisition, rehabilitation, or construction of 60 housing units to be sold to households at or below 100% of the Area Median Income at sites across the city (HOST-202053866). The last regularly scheduled Council meeting within the 30-day review period is on 7-20-20. The Committee approved filing this item at its meeting on 6-3-20.

Sponsors:

Indexes: Emily Lapel

Code sections:

Attachments: 1. RR20 0509 HOST Elevation CLT Scattered Site Acquistion, 2. HOST_Land Trust Safety Committee 060320, 3. 20-0509 Filed Resolution_Elevation Community Land Trust LLC 202053866, 4. 20-0509 Loan Agreement Elevation Community Land Trust LLC 202053866-00, 5. 20-0509 Filed Resolution_Elevation Community Land Trust LLC, 6. 20-0509 - signed

Date	Ver.	Action By	Action	Result
7/13/2020	1	Council President	signed	
7/13/2020	1	City Council	adopted	Pass
6/3/2020	1	Safety, Housing, Education & Homelessness Committee	approved for filing	Pass

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 5-22-20

Requesting Agency: Department of Housing Stability
Division:

Subject Matter Expert Name:

Name:	Jennifer Siegel, 720-913-1667
Email:	jennifer.siegel@denvergov.org

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 Loan Agreement between the City and County of Denver and Elevation Community Land Trust, LLC to finance the acquisition, rehabilitation, or construction of for-sale affordable housing units.

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Affected Council District(s) or citywide? Citywide

Contract Control Number: HOST-202053866

Vendor/Contractor Name (including any "DBA"): Elevation Community Land Trust LLC

Type and Scope of services to be performed:
EXECUTIVE SUMMARY

Elevation Community Land Trust LLC ("Elevation") is partnering with the City of Denver on an initiative to increase the number of homes owned by households at or below 100% of the Area Median Income (AMI). The purpose of this contract is to provide funding to acquire, rehabilitate, or construct properties, including vacant land, or single-family attached or detached residences, or multifamily residences from two to ten units. Every property acquired, rehabilitated, or constructed under this contract must be sold to households with incomes at or below 100% AMI for the Denver region as defined by the US Department of Housing and Urban Development ("HUD"). The aggregate AMI of units acquired and sold to income-eligible buyers under this contract must be at or below 80% AMI. Properties may be unrestricted at the time of acquisition or have an existing affordability restriction (preservation).

Elevation will retain ownership of the land in a community land trust to ensure affordability for a minimum of 99 years by executing and recording a land lease with each homeowner. Additionally, a Deed of Trust in favor of the City will be recorded on the land.

By the conclusion of the performance period, Elevation will complete the development of 60 affordable-for sale homes throughout the City, excluding the neighborhoods of Globeville, Elyria, or Swansea. Elevation will ensure that each home is sold to a qualified buyer with household income at or below 100% AMI and execute a 99-year land lease with each homeowner that requires subsequent sales to income qualified households.

Funding is being provided as a performance loan, with 0% interest and no payments due provided that units remain in compliance for the duration of the performance period. The loan will be forgiven at the completion of the compliance period. The City will record an individual Deed of Trust on the land underlying each residential unit of the type acquired, constructed and/or renovated.

The initial sale price of a unit may not exceed (but may be less than) the City's published maximum sale price based on unit type at the time of sale.
Location (if applicable):

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

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

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

Was this contractor selected by competitive process or sole source?

For New contracts
Term of initial contract: 06/2020 - 06/2119

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: $3,000,000

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:
Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?

If length changing
What was the length of the term of the original contract?

What is the length of the extension/renewal?

What is the revised total term of the contract?

If cost changing
What was the original value of the entire contract prior to this proposed change?

What is the value of the proposed change?

What is the new/revised total value including change?

If terms changing
Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)