



Legislation Text

File #: 22-1097, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 9-12-2022

**Requesting Agency: Department of Housing Stability
Division:**

Subject Matter Expert Name: Alex Dea
Email Address: Alex.Dea@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 for approving a proposed Funding Agreement between the City and County of Denver and Park Avenue Housing Corporation to finance the acquisition of 103 units of non-congregate shelter and convert the units to supportive housing, located at the Park Avenue Inn at 3500 Park Avenue West in Council District 9.

Approves a funding agreement with Park Avenue Housing Corporation for \$5,000,000 in America Rescue Plan Act funds and through 12-31-2023, with a 60-year covenant for the Colorado Coalition for the Homeless to finance the acquisition of 103 units of non-congregate shelter and convert the units to supportive housing within four years, located at the Park Avenue Inn at 3500 Park Avenue West in Council District 9 (HOST-202264362). The last regularly scheduled Council meeting within the 30-day review period is on 10-17-2022. The Committee approved filing this item at its meeting on 9-14-2022.

Affected Council District(s) or citywide? 9

Contract Control Number: HOST-202264362

Vendor/Contractor Name (including any "DBA"): Park Avenue Housing Corporation

Type and Scope of services to be performed:

Colorado Coalition for the Homeless (CCH) is requesting \$5,000,000 from the City and County of Denver in acquisition funding. CCH acquired the La Quinta Inn at 3500 Park Avenue West in December 2021 using a bridge loan. The funding requested from the City will partially pay off the bridge funding. This project currently serves as non-congregate shelter and will continue to provide 103 units of non-congregate shelter. CCH plans to redevelop the site in approximately three years to provide up to 200 units of permanent supportive housing. The City will place a 60-year covenant on the site that allows for a transition to supportive housing with executive director approval. For acquisition, CCH is also requesting \$5,500,000 from the Colorado Department of Local Affairs (DOLA) and will contribute \$1,080,000 in equity, including an operating reserve of \$500,000. The Denver Department of Housing Stability (HOST) is committed to funding the operating costs through 2022; the operating reserve will fund an additional two months of operations, and CCH is applying for operations funding from The Colorado Department of Housing (CDOH) for 2023 through when the project is redeveloped into supportive housing. The project is located in a Qualified Census Tract.

To finance the acquisition of 103 units of non-congregate shelter. Colorado Coalition for the Homeless plans to convert the project to supportive housing within four years from the closing date with Executive Director approval from HOST. Additionally, the covenant will include language that allows for zero occupancy during a three-year offline construction period. The 60-year affordable use period will not include the construction period.

Location (if applicable): 3500 Park Avenue West, Denver, CO 80212

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

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

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

new

Was this contractor selected by competitive process or sole source?

N/A

For New contracts

Term of initial contract:

Grantee must satisfy all conditions set forth in this agreement on or before December 31, 2023, with a 60-year covenant ending 60 years from the date of recording of the covenant

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:

\$5,000,000

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.)