



Legislation Text

File #: 18-0832, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 7-24-18

Requesting Agency: Office of Economic Development
Division:

Subject Matter Expert:

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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 bill for an ordinance approving a proposed Loan Agreement between the City and County of Denver and the Housing Authority of the City and County of Denver, Colorado, to support the construction of 68 units of income-restricted affordable housing for very low-income and senior residents to be known as Platte Valley Homes.

Approves a \$1,020,000 intergovernmental agreement with the Denver Housing Authority through 1-1-21 for a loan agreement to support the construction of 68 total units of income-restricted affordable housing for very low-income and senior residents at 3058 Champa Street and 3401 Arapahoe Street in Council District 9 (OEDEV-201840123-00). The last regularly scheduled Council meeting within the 30-day review period is on 9-17-18. The Committee approved filing this item at its meeting on 8-1-18.

Affected Council District(s) or citywide? Council District 9

Contract Control Number: OEDEV-201840123-00

Vendor/Contractor Name (including any "DBA"): Denver Housing Authority (DHA)

Type and Scope of services to be performed:

The Denver Housing Authority (DHA) is proposing to develop 68 units of income-restricted public housing, to be located on two sites in the Five Points neighborhood:

- **3058 Champa Street:** At 3058 Champa Street, DHA is proposing to redevelop six of the nine existing buildings currently comprising Platte Valley Homes, a public housing property. The existing Platte Valley Homes properties were built in 1942, so are nearing the end of their useful life. The renovation will be substantial and will create 50 one-, two-, and three-bedroom public housing units. Because all units will be public housing units, they will serve very low-income residents. The average annual income of a DHA public housing resident is around \$10,000. The portions of the existing Platte Valley Homes site that will not be redeveloped into new rental housing will be sold for for-sale development; 20% of the for-sale units developed will be income-restricted at 80% of AMI.
- **3401 Arapahoe Street:** At 3401 Arapahoe Street, a parcel currently owned by DHA, DHA is planning to develop 18 public housing units to be reserved for tenants who are disabled or 62 years and older. Because each unit will be a public housing unit, they will serve very low-income residents.

The City's \$1,020,000 performance loan will support the construction and renovation of affordable housing units at both sites. In addition to OED's funding, the development will leverage a \$5.65 million program funds loan from DHA, a \$4.3 million land carryback loan from DHA, a \$680,000 grant from the State of Colorado Division of Housing, and \$10.8 million in competitively awarded 4% + State Low Income Housing Tax Credits. OED's loan will be structured as a performance loan, or grant, in recognition of the proportion of very low-income housing units provided by the project.

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: 8-1-18 - 1-1-21

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: \$1,020,000

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.)