



A partnership among the Apartment Association of Metro Denver, Denver Housing Authority, Downtown Denver Partnership, and the City and County of Denver

## **REQUEST FOR UNIT SUBMISSIONS**

### **INTRODUCTION**

The LIVE Denver program is a public-private partnership between the Apartment Association of Metro Denver, Denver Housing Authority, Downtown Denver Partnership, City of Denver, private employers, and local foundations.

LIVE Denver is currently seeking motivated, civic minded property owners and property managers ready to make currently vacant units available to participating households at reasonable market rents. To participate in the program multi-family rental property owners and/or managers must respond to this Request for Unit Submissions via an online Unit Submission form, available at: [www.livedenver.org/unit-submission-form](http://www.livedenver.org/unit-submission-form)

### **PROGRAM OVERVIEW**

The LIVE Denver program aims to support Denver Residents who earn between 40% - 80% of Area Median Income (AMI). Depending on family size, the income ranges will be \$25,200 to \$71,920. More than 52,000 households in Denver have a household income within this targeted income range. Approximately 13,000 renters within this population are severely burdened by the cost of housing, meaning they pay more than 50% of their income on housing costs, putting them at risk of displacement.

Existing and anticipated vacancies in market rate rental units provides an opportunity to create a unique partnership with Property Owners/Managers. LIVE Denver seeks to assist working families obtain access to market rate housing by offering a rental subsidy that bridges the gap between what the family can reasonably afford and the actual apartment rent. LIVE Denver rental subsidies will be underwritten by the City of Denver, Sponsor Employers, and Local Foundations.

The LIVE Denver pilot program intends to serve at least 125 households currently experiencing housing cost burdens. In order to serve the diverse housing needs of participating households, we currently seek 1 bedroom, 2 bedrooms, 3 bedrooms and 4 bedrooms apartment units and single-family homes across Denver to house families and individuals.

To be eligible for the program, units must meet the following criteria:

- Currently available rental units or single family homes of high quality (as commonly understood in the industry) where the Property Owner/Manager is capable of “self-certifying” to the quality of the unit and is in compliance with all Fair Housing laws and local building and zoning laws
- Within the limits of the City and County of Denver
- Submitted units cannot have existing subsidized rents or rent restrictions. Rent restricted units are any units that receive any form of government subsidy including, but not limited to, project based vouchers or low income housing tax credits
- Property Owner/Manager is encouraged to submit a minimum of five (5) units per property
- Property Owner/Manager will commit to waiving the security deposit for each unit submitted. LIVE Denver will offer to reimburse Property Owner/Manager for any damages or unpaid balances from a pooled Security Deposit fund. Owner/Manager will be eligible for reimbursement up to two (2) month’s rent per unit.

Property Owner/Manager need not “hold” or “set aside” particular units in a building for participation in the program. At the time of lease up, the available unit must be substantially similar in size and amenities to the submitted unit.

LIVE Denver Participants will pay 35% of their gross household income toward the reasonable market rent for their unit; the LIVE Denver Fund pays the balance.

## **PARTICIPANT ESCROWED SAVINGS ACCOUNT**

LIVE Denver will set aside 5% of the monthly rent payment to an escrow savings account on behalf of each participating family or individual. Upon exiting the program, the participant will receive all funds saved minus any unpaid liens.

## **LEASING PROCESS**

LIVE Denver will partner with Employers and the General Public to solicit and accept applications to the program. LIVE Denver will pre-screen all Participants through an on-line application and acceptance process. LIVE Denver will maintain a registry of all available rental units based on the Unit Submission process outlined here. The mutually agreed to rent for a unit is determined through the Reasonable Market Rent process outlined below, and execution of an Expression of Interest (EOI). Once a Participant and Owner/Manager agree to lease terms for a specific unit, LIVE Denver will determine the amount of subsidy for that unit.

Once accepted to the program, Participants will have access to information on all rental units for which they qualify financially. Each applicant will then contact the Property Owner/Manager directly to arrange a tour and to submit a lease application according to each property’s standard leasing process.

**LEASE AGREEMENT**

The Property Owner or Manager and the Resident will execute the property’s standard application and lease. LIVE Denver will provide an addendum that must be signed by the Resident and the Property Owner/Manager which confirms the terms and amount of the individual rental subsidy for that unit.

Participating Property Owners/Managers and Residents in LIVE Denver will be subject to the standard rights and obligations under Colorado and City and County of Denver law.

No special rights, privileges, obligations or exemptions shall apply.

*See Exhibit A- Lease Addendum*

**REASONABLE MARKET RENTS (RMR)**

LIVE Denver will utilize a national third-party rent-reasonableness evaluation service to determine the Reasonable Market Rent (RMR) for the units submitted. The RMR represents the maximum contract rent paid for each unit. The actual rent will be the requested rent submitted by the Property Owner/Manager and the RMR.

After available units are submitted via the on-line Unit Submission Form, including the Owner/Manager requested rent for each unit, then LIVE Denver will determine RMR and submit an Expression of Interest (EOI) form to the Owner/Manager with a determination of the LIVE Denver Offered Rent for each unit type. Once the Owner/Manager executes the EOI, those rental units will be entered into the LIVE Denver rental registry. Currently eligible Participants will be able to view those units and contact the designated Owner/Manager representative for further information and to schedule a site visit.

*See Exhibit B Submission Form for a listing of interior and exterior amenities considered.*

**Table 1. Reasonable Market Rent “RMR” Assessment Example**

<b>2 BR Unit RMR Analysis</b>		Comparable Unit #1	Comparable Unit #2	Comparable Unit #3
<b>Current Listing Rent of Unit Offer</b>	<b>\$2,500</b>	\$2,400	\$2,000	\$2,200
<b>Reasonable Market Rent (RMR)</b>	<b>\$2,250</b>	An Affective Average of Comparable Units = \$2,200		
Lower of Listing Rent or RMR Maximum Allowable Rent	\$2,250			

## RENT PAYMENTS TO PROPERTY OWNERS OR MANAGERS

The value of the rent buy-down is calculated as the LIVE Denver offered rent minus the Resident’s payment of 35% of the Resident’s household income. The table below demonstrates sample calculations to varied AMI.

**Table 2. SAMPLE Calculations:**

<b>Unit Size</b>	<b>1 BR</b>	<b>2BR</b>	<b>3BR</b>
Response - Rental Rate Submitted by Property Manager	\$1,450	\$2,500	\$2,650
RMR Analysis	\$1,300	\$2,250	\$2,500
RFP Rent Offered by LIVE Program	\$1,300	\$2,250	\$2,500
<b>Resident AMI 80%</b>			
Resident Payment	\$1,200	\$1,763	\$2,198
LIVE Denver Payment	\$100	\$487	\$302
<b>Resident AMI 60%</b>			
Resident Payment	\$1,078	\$1,322	\$1,648
LIVE Denver Payment	\$222	\$928	\$852

## RESPONDING TO THIS REQUEST FOR UNIT SUBMISSIONS

Complete the Unit Submission Form online at [www.livedenver.org/unit-submission-form](http://www.livedenver.org/unit-submission-form).

One form must be submitted for each property.

- A minimum of five units per property is requested.
- A community with multiple buildings may scatter the five or more units throughout the community.
- All units submitted may float throughout the property – and the same rent may be offered - as long as the units are substantially similar in floor plan and amenities.
- A Requested Rental Rate must be indicated.

## AFFIDAVIT

Responders to this RFQ must verify the units submitted are not currently under rent restrictions of any kind, including, but not limited to, a covenant on the land or building for affordability, Low Income Housing Tax Credits or Project Based Vouchers from DHA or the Colorado Department of Local Affairs.

*See Exhibit C*

# Exhibit A – Lease Addendum

## Lower Income Voucher Equity (LIVE) Denver Lease Addendum

Date \_\_\_\_\_

Property Owner/Manager \_\_\_\_\_

Resident(s) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Property Address \_\_\_\_\_ Unit Number \_\_\_\_\_

Denver, CO, Zip \_\_\_\_\_

As participants in LIVE Denver, the household meets these two qualifications: 1. Total household wage income is between 40% and 80% Area Median Income (“AMI”) (*see qualifying wage income chart below*); 2. One head of household is employed on a fulltime basis (at least 35 hours/week).

This LIVE Denver Addendum (“Addendum”) shall attach to and be made part of the Apartment Lease Contract (“Lease”) between Property Owners or Managers and Resident. To the extent of any conflict between the terms of the Lease and this Addendum, the governing contract is the Lease. For any disputes between the Property Owners or Managers and Resident about the Lease, refer to the City of Denver Residential Property Owners or Managers Resident Guide for guidance and city resources.

- PARTIES AND ASSIGNMENT:** The Lease is between LIVE Denver signed Resident and Property Owners or Managers. The Resident may not assign or sublet this Lease.
- RENT - RESIDENT PAYMENT:** As a participant in LIVE Denver, for the Term of the Lease, the Resident shall pay \$\_\_\_\_\_ per month for rent, payable on the \_\_\_\_\_ day of every month without demand during the Lease term and per the specifications of the Lease.
- RENT SUBSIDY - LIVE DENVER:** For the term of the lease, and as long as Resident maintains eligibility for participation in the program, LIVE Denver shall pay \$\_\_\_\_\_ to the Property Owners or Managers on the \_\_\_\_\_ day of every month, or six months in advance, or to an escrow account as determined by the contract agreement between LIVE Denver the Property Owners or Managers.
- SECURITY DEPOSIT:** Property Owner/Manager agrees to waive the security deposit and may make a claim against the LIVE Denver Fund in the event of damage beyond normal

wear and tear. Such damage is limited to the value of two months' rent or \$\_\_\_\_\_. Any claim against the LIVE Denver Fund shall not hinder, impede, waive, or otherwise interfere with the rights granted under law to the Property Owners or Managers and the Resident for any damage beyond normal wear and tear.

5. **TERMS OF LEASE AND LIVE DENVER PROGRAM:** Resident participation in LIVE Denver is for a two (2) year term. This term in no way impedes, interferes, restricts or expands the term of occupancy in the Lease between the Property Owner or Manager and the Resident. The Resident's participation in LIVE Denver is a term separate and apart from the term of the Lease.

6. **TERMINATION OF LEASE AND PARTICIPATION IN LIVE DENVER PROGRAM:** Termination of the Lease by the Property Owner or Manager or Resident shall follow the applicable law. LIVE Denver encourages all parties to review the Residential Landlord and Tenant Guide for guidance and city resources for resolving disputes. A termination of the Lease results in a termination of this Lease Addendum, with the exception of any claims on the Security Deposit per section 4 above.

A termination of the Lease shall not result in the automatic termination of participation for the Property Owner or Manager or Resident in LIVE Denver. LIVE Denver shall evaluate the cause of Lease termination by the Property Owner or Manager or Resident and will make a determination on the continued or discontinued participation by the Property Owner or Manager or Resident in LIVE Denver.

7. **EXECUTION:** The signatories to this Addendum acknowledge they have been duly informed of all rights and obligations under LIVE Denver.

**Resident: (All Residents must sign)**

X \_\_\_\_\_ Date \_\_\_\_\_

X \_\_\_\_\_ Date \_\_\_\_\_

X \_\_\_\_\_ Date \_\_\_\_\_

X \_\_\_\_\_ Date \_\_\_\_\_

**Property Owner or Manager:**

X \_\_\_\_\_ Date \_\_\_\_\_

**LIVE Denver Authorized Representative**

X \_\_\_\_\_ Date \_\_\_\_\_

# Exhibit B – Unit Submission Form

Please use the submission form at: [www.livedenver.org/unit-submission-form](http://www.livedenver.org/unit-submission-form) to submit qualifying units.

*Note: If submitting units across multiple properties, you must submit a separate form for each property. A minimum of five (5) units per property is preferred.*

<b>Contact Person – Name</b>	
<b>Contact Person – Phone Number</b>	
<b>Contact Person – Email</b>	
<b>Property Name:</b>	
<b>Property Address:</b>	
<b>How many TOTAL units are located at this property?</b>	
<b>Is this property a Single Family Home?</b>	
<b>How many units are you offering at this property address?</b>	
<b>Total number of 1-bedroom units offered:</b>	
<b>Average square footage of 1-bedroom units:</b>	
<b>Requested Rental Rate [monthly] for Unit (including any discounts offered)</b>	
<b>Total number of 2-bedroom units offered:</b>	
<b>Average square footage of 2-bedroom units:</b>	
<b>Requested Rental Rate [monthly] for Unit (including any discounts offered)</b>	

<b>Total number of 3-bedroom units offered:</b>	
<b>Average square footage of 3-bedroom units:</b>	
<b>Requested Rental Rate [monthly] for Unit (including any discounts offered)</b>	
<b>Total number of 4-bedroom units offered:</b>	
<b>Average square footage of 4-bedroom units:</b>	
<b>Requested Rental Rate [monthly] for Unit (including any discounts offered)</b>	
<b>The offered units are available:</b>	
<b>Was the property constructed within the last 5 years?</b>	
<b>If the property was not constructed within the last 5 years, please indicate the date of the most recent unit renovation:</b>	
<b>Unit Interior Amenities</b> <i>(please check all that apply)</i>	In Unit W/D Dishwasher Microwave
<b>Unit Exterior Amenities</b> <i>(Please check all that apply)</i>	Gated Community or Doorman Parking Available On-Site Balcony/Deck/Patio or Porch



## Exhibit C - Affidavit

I, \_\_\_\_\_, verify that the units submitted herein are not currently under a rent restriction of any kind, including but not limited to, a covenant on the land or building for affordability, Low Income Housing Tax Credits, (LIHTC), or Project Based Vouchers from the Denver Housing Authority or the Colorado Department of Local Affairs. Where a building has a designated number of current rent restricted units, I attest that the units submitted herein are not covered by a restriction of any kind.

I, \_\_\_\_\_, attest to the best of my knowledge and belief that all statements herein are true and accurate.

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Title)

Date \_\_\_\_\_

Exhibit D - Diagram of Program Administration

