

ORDINANCE/RESOLUTION REQUEST

Date of Request: 8/3/2020

Please mark one: Bill Request or Resolution Request

1. Type of Request:

- Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment
 Dedication/Vacation Appropriation/Supplemental DRMC Change
 Other:

2. Title: Start with an active verb, i.e., **approves, amends, dedicates**, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, or supplemental request.

Approves a loan agreement with Pancratia Hall Partners, LLC for a \$3,300,000 cash flow loan to support the restoration of Pancratia Hall Lofts, comprised of 72 affordable apartments units in Loretto Heights.

3. Requesting Agency: Department of Housing Stability

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Nick Emenhiser	Name: Nick Emenhiser
Email: Nicholas.Emenhiser@denvergov.org	Email: Nicholas.Emenhiser@denvergov.org

5. General a text description or background of the proposed request, if not included as an executive summary.

See Executive Summary

6. City Attorney assigned to this request (if applicable):

Eliot Schaefer

7. City Council District: 2

****For all contracts, fill out and submit accompanying Key Contract Terms worksheet****

Key Contract Terms

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR20 0798

Date Entered: _____

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property): Loan Agreement

Vendor/Contractor Name: Pancratia Hall Partners, LLC

Contract control number: HOST-202054928

Location: 3001 S. Federal Boulevard, Denver, CO 80236

Is this a new contract? Yes No Is this an Amendment? Yes No If yes, how many? _____

Contract Term/Duration (for amended contracts, include existing term dates and amended dates):

Repayment term: 40 years

Covenant term: 60 years

Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Current Contract Amount (A)</i>	<i>Additional Funds (B)</i>	<i>Total Contract Amount (A+B)</i>
\$3,300,000	\$0	\$3,300,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
9/2020 – 9/2080		9/2020 – 9/2080

Scope of work:

See Executive Summary.

Was this contractor selected by competitive process? Yes - project was approved by HOST Loan Review Committee

Has this contractor provided these services to the City before? Yes No

Source of funds: Fund 16606 (Affordable Housing Linkage Fee)

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, DEN concession contracts): N/A

Who are the subcontractors to this contract? N/A

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR20 0798

Date Entered: _____

EXECUTIVE SUMMARY

This adaptive reuse of Pancratia Hall will restore a local historic landmark and provide affordable housing for 72 households for the next 60 years, serving an area of Denver that has not seen much new affordable housing. This project has an emphasis on deeper affordability and larger unit sizes, as well as accessible units.

This project is leveraging 4% tax credits, state and federal historic tax credits, and a loan with similar terms from the Colorado Division of Housing. Master developer, Westside Investments, is providing a \$1.4 million seller carry-back note.

The unit mix qualifies for a \$3,300,000 HOST performance loan, structured as a cash-flow loan. Terms include a 40-year loan term, 60-year restrictive covenant, 1% interest, and payments expected to begin in Year 9. The project can support paying back the HOST loan within 30 years. Income averaging was required to support unsubsidized 30% units. The project is also deferring almost half of their developer fee, for 9 years.

The unit mix is as follows:

Unit Type	30% AMI	60% AMI	70% AMI	80%* AMI	Total Units	% of Total
Studio	1	2	1	0	4	5.6%
1BR	8	12	3	8	31	43.1%
2BR	5	7	0	8	20	27.8%
3BR	3	4	0	8	15	20.8%
4BR	1	0	0	1	2	2.8%
Total	18	25	4	25	72	100.0%
% of Total	25.0%	34.7%	5.6%	34.7%	100.0%	

*Area Median Income, or rent limits, used for income qualification of qualified residents.

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR20 0798

Date Entered: _____

Revised 03/02/18