

ORDINANCE/RESOLUTION REQUEST

Date of Request: 12/14/2020

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.

Amends a loan agreement with Atlantis Community Foundation for a \$2,300,000 performance loan to support construction of Atlantis II comprised of 84 affordable apartments units in Baker. This amendment changes the collateral to a collateral assignment of the Deed of Trust, as necessitated by a HOST loan directly to the non-profit sponsor.

3. Requesting Agency: Department of Housing Stability (HOST)

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: 3

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

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR20 1555

Date Entered: _____

Key Contract Terms

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

Vendor/Contractor Name: Atlantis Community Foundation

Contract control number: HOST-202056902

Location: 420 West Cedar Avenue, Denver, CO 80223 (Cedar and Cherokee)

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many?** 1

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

Original loan agreement: 8/2020 –8/2080

Amended loan agreement: 8/2020 –1/2081*

*Determined upon execution of promissory note

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

<i>Current Contract Amount</i> (A)	<i>Additional Funds</i> (B)	<i>Total Contract Amount</i> (A+B)
\$2,300,000	\$0	\$2,300,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
8/2020 – 8/2080		8/2020 – 8/2080

Scope of work:

See Executive Summary.

Was this contractor selected by competitive process? Yes No Project was approved by Loan Review Committee

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

Source of funds: Fund 16607 (Dedicated Fund / Property Tax)

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

EXECUTIVE SUMMARY

This amendment is required to authorize an approach to collateral known as a collateral assignment. This is required because the entity granting HOST’s Deed of Trust is different from the non-profit sponsor to whom HOST is directly lending. The difference is that the borrower is causing the development entity to grant the Deed of Trust. There is not a significant difference in how secure this Deed of Trust is; it just has to be expressly authorized in the loan agreement.

To be completed by Mayor’s Legislative Team:

Resolution/Bill Number: RR20 1555

Date Entered: _____

There are also revised references in the subordination agreement attached to the loan agreement. This project will be closing and beginning construction in the 1st quarter of 2021.

City Council approved this loan agreement earlier in the summer of 2020. This is the second phase of the Atlantis Apartments project, on the south end of Baker at Cherokee and Cedar. There is a total of 84 units, of which 5 will be studio, 50 one-bedroom, and 29 two-bedroom. Conversely, 24 are set-aside for 30% area median income (AMI), and 60 set-aside for 60% AMI. All units are expected to be accessible for people with disabilities. The project has received a 4% LIHTC award and Private Activity Bond cap from CHFA, and \$980,000 in grant funds from CDOH. The project is deferring \$1,708,530 in developer fee as a source as well. HOST loan will be structured as a performance loan, to be forgiven after 60 years of programmatic compliance.

Atlantis Community Foundation (ACF) owns the subject site and is the lead sponsor behind the project. Atlantis Community Inc. (ACI), the parent company of ACF, was formed in 1974 and specializes in providing housing assistance for community members with disabilities.

The unit mix is as follows:

Unit Type	30% AMI	40% AMI	50% AMI	60% AMI	Market	Manager
Studio/1 bath	5	0	0	0	0	0
1 bed/1 bath	17	0	0	33	0	0
2 bed/1 bath	2	0	0	27	0	0
Total	24	0	0	60	0	0
% of Total	28.6%	0.0%	0.0%	71.4%	0.0%	0.0%

*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 1555

Date Entered: _____