

OED ORDINANCE/RESOLUTION REQUEST

Date of Request: 5/7/18

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: Approves a \$800,000 loan to Atlantis Community Foundation to build 60 affordable apartments at 201 S. Cherokee Street for households at 60% AMI and below, including 15 homes for residents with disabilities.

3. Requesting Agency: Office of Economic Development

4. Contact Person:

| | |
|--|---|
| Contact person with knowledge of proposed ordinance/resolution | Contact person to present item at Mayor-Council and Council |
| Name: Andrea Morgan 720-913-1663 | Name: Susan Liehe 720-913-1689 |
| Email: andrea.morgan@denvergov.org | Email: susan.liehe@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):

Julie Mecklenburg
720-865-8753
Julie.Mecklenburg@denvergov.org

7. City Council District: 7 – Baker Neighborhood

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR18 0556

Date Entered: _____

Key Contract Terms

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

Vendor/Contractor Name: Atlantis Community Foundation

Contract control number: OEDEV-201839985-00

Location: 201 S Cherokee Street

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):
40 years with optional 40-year extension

Contract Amount (indicate existing amount, amended amount and new contract total): \$800,000

| <i>Current Contract Amount</i> (A) | <i>Additional Funds</i> (B) | <i>Total Contract Amount</i> (A+B) |
|---------------------------------------|--------------------------------|---------------------------------------|
| \$800,000 | | |

| <i>Current Contract Term</i> | <i>Added Time</i> | <i>New Ending Date</i> |
|------------------------------|-------------------|------------------------|
| 40 years | | |

Scope of work:

Build 60 apartments and record a Covenant that both restricts the rents to amounts affordable to households at 30%, 40%, 50%, and 60% AMI and restricts the occupancy of those apartments to households at 30%, 40%, 50%, and 60% AMI. See Executive Summary for details.

Was this contractor selected by competitive process?

If not, why not?

Yes. This project’s equity comes from 9% LIHTC tax credits. As such, city staff and the OED Loan Review Committee evaluated this proposal on a competitive basis with other projects that also applied for those tax credit allocations.

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

The City and County of Denver has a successful history of lending funds to Atlantis Community Foundation and its predecessor entity to create other affordable housing projects.

Source of funds: HOME

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

The city’s Housing Comprehensive Plan targets 20% to 25% of OED’s housing resources to serving households up to 80% AMI. Atlantis Apartments will provide 15 apartments at each of 30%, 40%, 50% and 60% AMI for this \$800,000 loan.

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EXECUTIVE SUMMARY

Atlantis Apartments will be a 60-unit affordable apartment community with 15 homes targeted toward residents with disabilities, including several apartments that are accessible to visually or hearing-impaired residents. In addition, all of the apartments will be constructed so that they are readily convertible to provide enhanced accessibility features.

The property is located at 201 S Cherokee Street in the Baker neighborhood of Denver. This is a Transit-Oriented Development, located two blocks north of the Alameda light rail station.

Of the total 60 units, there will be 15 for tenants at or below 30% AMI, 15 for tenants at or below 40% AMI, 15 for tenants at or below 50% AMI and 15 for tenants at or below 60% AMI. Fifteen of the units will have Section 811 vouchers to subsidize the rents for persons with disabilities.

Atlantis Community Foundation (ACF) owns the property and is the lead entity behind the project. Atlantis Community Inc (ACI), the parent company of ACF, was formed in 1974 and specializes in providing services for people with disabilities, particularly with regard to supporting their clients' capacity to continue to live as independently as possible. ACI currently provides services to clients at this site from an obsolete warehouse building. At the start of the project, ACI will be relocated to another building onsite, the warehouse will be torn down, and construction will begin. Upon project completion, ACI will occupy this project's first floor commercial space, where ACI will continue to provide services.

Construction is expected to start in July 2018 and full occupancy is expected in June 2020.

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Revised 03/02/18