



Legislation Text

File #: 20-1555, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 12-14-20

Requesting Agency: Department of Housing Stability
Division:

Subject Matter Expert Name:

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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 resolution approving a proposed First Amendment and Modification Agreement between the City and County of Denver and Atlantis Community Foundation to amend and modify the terms and conditions of the loan to support the construction of 84 affordable housing units.

Amends a loan agreement with Atlantis Community Foundation by changing the collateral to a collateral assignment of the Deed of Trust to support construction of 84 affordable rental units at Atlantis II located at 420 West Cedar Avenue in Council District 7. No change to agreement amount or duration (HOST-202056902). The last regularly scheduled Council meeting within the 30-day review period is on 1-25-21. The Committee approved filing this item at its meeting on 12-23-20.

Affected Council District(s) or citywide? Council District 7

Contract Control Number: HOST-202056902

Vendor/Contractor Name (including any "DBA"): Atlantis Community Foundation

Type and Scope of services to be performed:

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. 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.

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:

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:

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.)