



Legislation Text

File #: 20-0798, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 8-03-20

Requesting Agency: Department of Housing Stability
Division:

Subject Matter Expert Name:

Name: Nick Emenhiser

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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 Loan Agreement between the City and County of Denver and Pancratia Hall Partners LLC for a loan to support the construction of 72 affordable housing units within Pancratia Hall Lofts in Loretto Heights.

Approves a loan agreement with Pancratia Hall Partners, LLC for \$3,300,000, with a repayment term of forty years and a restrictive covenant term of sixty years, to support the restoration of Pancratia Hall Lofts, comprised of 72 affordable apartment units in Loretto Heights in Council District 2 (HOST-202054928). The last regularly scheduled Council meeting within the 30-day review period is on 9-14-20. The Committee approved filing this item at its meeting on 8-12-20.

Affected Council District(s) or citywide? Council District 2

Contract Control Number: HOST-202054928

Vendor/Contractor Name (including any "DBA"): Pancratia Hall Partners, LLC

Type and Scope of services to be performed:

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.

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: 40 year loan and 60 year covenant

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: \$3,300,000

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.)