

# ORDINANCE/RESOLUTION REQUEST

Date of Request: 10/28/19

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:** Creates a \$1,500,000 loan agreement between the department of Housing Stability (HOST) and Senior Housing Options to preserve the affordability of 107 units, and add five new units, at The Olin Hotel Apartments located at 1420 N Logan St.

**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: <b>Jennifer Siegel 720-913-1667</b>	Name: <b>Susan Liehe 720-913-1689</b>
Email: <b>jennifer.siegel@denvergov.org</b>	Email: <b>susan.liehe@denvergov.org</b>

**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):** Adam Hernandez

**7. City Council District:** 10

## Key Contract Terms

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

**Vendor/Contractor Name:** Senior Housing Options

**Contract control number:** OEDEV-201950702

**Location:** 1420 N Logan St Denver CO 80203

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

**Was this contractor selected by competitive process?** N/A

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

**Source of funds:** HOME Funds

**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 request is for \$1,500,000 (\$13,393/unit) in HOME funds to provide financing for hard and soft costs for the Olin Hotel Apartments (the Olin). The Olin is a five-story building built in 1917 as a hotel and converted to affordable senior living in 1982. The building requires extensive renovation, and all units and common areas will be updated with new finishes and fixtures. The fifth floor, which had been shut off from the rest of the building for decades, will be reopened and five new units will be added. After completion, the property will consist of 112 studio and 1BR units.

The borrowing entity is Senior Housing Options, a long-term provider of housing and services to low income seniors and individuals with disabilities. They will lend to funds to Olin Hotel Apartments LLLP, the single purpose entity that will be the owner of Olin Hotel Apartments. This will be a performance loan with a 60-year term, 0% interest rate, and no payments as long as the project remains in compliance. The borrower has received a 2018 allocation of 4% LIHTC + State credits; the Private Activity Bonds (PAB) will be issued by CHFA. Ten units will be designated as HOME assisted units (four studios and six 1BR units). The 107 existing units in the property are subsidized under a HUD Housing Assistance Payment contract in effect until 12/01/20, which provides rental assistance for very-low income residents. DHA will provide project-based housing assistance vouchers for the five new units being added on the fifth floor.