



Legislation Text

File #: 19-1211, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 10-28-19

Requesting Agency: Department of Housing Stability
Division:

Subject Matter Expert Name:

Name: Susan Liehe 720-913-1689
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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 Senior Housing Options, Inc. for the rehabilitation of the Olin Hotel Apartments in order to provide affordable housing.

Approves a loan agreement with Senior Housing Options for \$1.5 million and for 60 years to provide HOME funds for financing of hard and soft costs to preserve the affordability of 107 units and add five new units at The Olin Hotel Apartments located at 1420 North Logan Street in Council District 10 (OEDEV-201950702). The last regularly scheduled Council meeting within the 30-day review period is on 12-23-19. The Committee approved filing this item at its meeting on 11-13-19.

Affected Council District(s) or citywide? Council District 10

Contract Control Number: OEDEV-201950702

Vendor/Contractor Name (including any "DBA"): Senior Housing Options

Type and Scope of services to be performed:

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.**

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: 60 years

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: \$1,500,000

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.)