

SureStay Hotel Conversion



CABQ's plans to create affordable apartments

Rising Costs of Housing

Nearly half of ABQ renters are 'cost-burdened' meaning they spend over 30% of their income on housing. We need to increase housing supply and diversity of housing types in our city.

20%

Rent Increase from 2021

\$1,235

Average
Apartment Rent

20%

Median Home Cost
Increase from 2021

\$339K

Median House Price

Sources: 1. realtor.com 2022.
2. rentcafe.com 2022.
3. apartmentlist.com/research/
national-rent-data 2022.

Current Housing Challenge

- Estimated gap is between 13,000-28,000 units, depending on income and housing type
- Half of renters spend more than 30% of household income on rent



Increasing Supply

- Increasing supply of all types of housing keeps prices lower and rents more affordable
- Setting a goal of creating 5,000 additional units over what private market would normally produce by 2025
- Target goals are estimates based on the City's funding and intervention capabilities. It will vary depending on multiple factors including: the economy, available funding, and the available housing workforce



Why Motel / Hotel Conversions?

- Faster than new construction
- More cost-effective than new construction
 - Cost per unit, new: ~\$300,000
 - Cost per unit, renovated hotel: ~\$100,000
- Repurposes underutilized and/or problematic properties
- Conversions have been successful in Albuquerque, Santa Fe, and other communities



Property overview



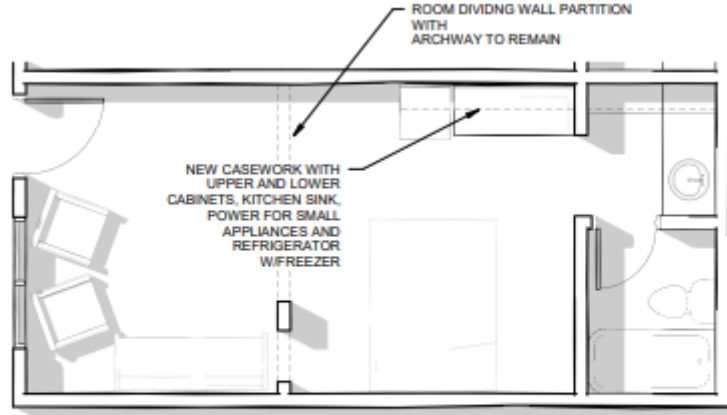
- Purchased on April 10, 2023 for \$5.7M, using funding from HUD and State of New Mexico
- 104 hotel rooms, approximately 250 square ft each
- Amenities:
 - Dining Room
 - Small conference room
 - Indoor pool
 - Fitness Room
 - Courtyard

Vision: Apartment Complex

- Convert into 90-100 efficiency and 1-BR apartments
- City will be the owner
- Will be managed by a professional property management company
- Mixed-income community
- On site service coordinator
- Financially sustainable

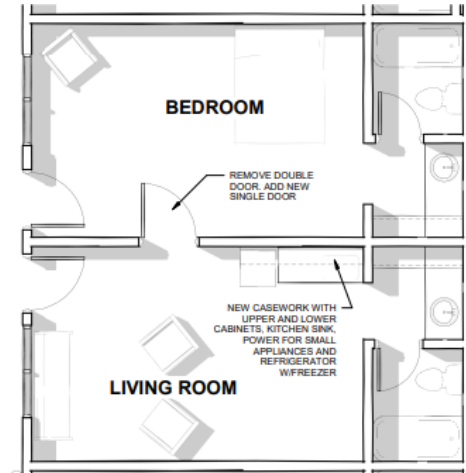


Before and (Projected) After

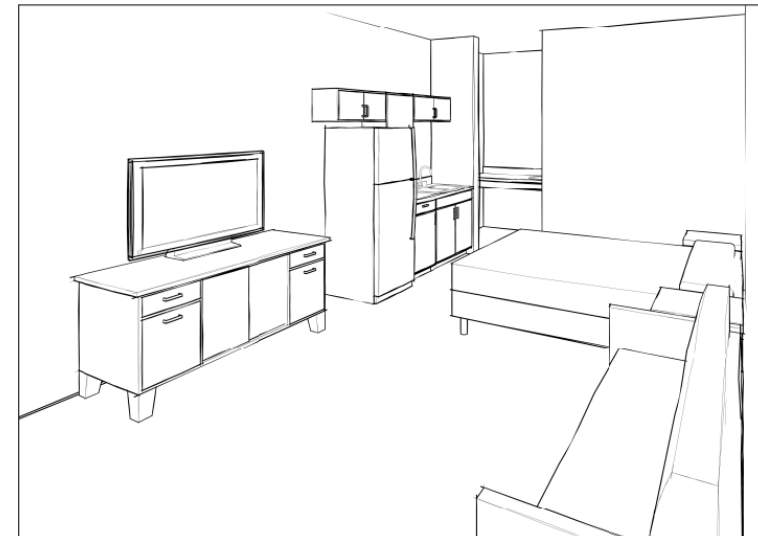
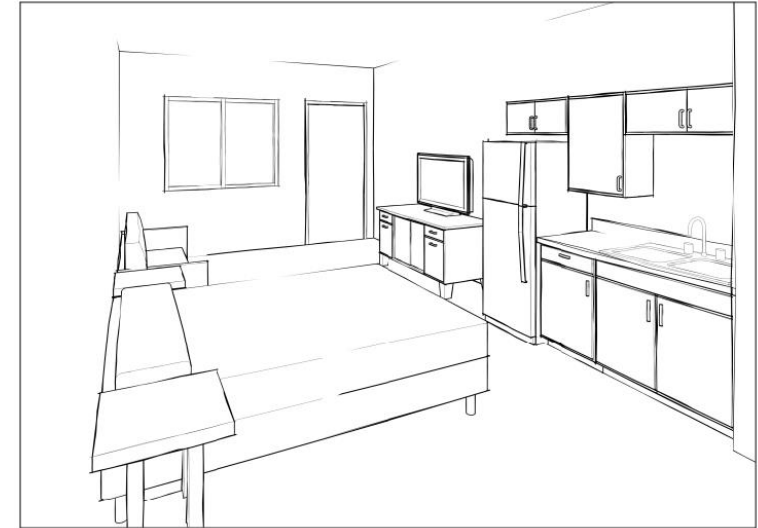


UNIT PLAN - STUDIO SUITE 1

1/4" = 1'-0"



UNIT PLAN - 1 BEDROOM



Who Might Live in These Apartments?



A senior on social security



A single parent with a full time job and a young child



A full-time college or graduate student with a part-time job



A person who is exiting homelessness



A person with a disability who is living on disability benefits

Timeline



April 10, 2023: Property Acquired

April 10, 2023: Property management company in place

April 14, 2023: 24/7 security in place until construction concludes

May 5, 2023: Installation of permanent, high quality fence complete

May 2023: Renovations begins

December 2023: First Phase of Construction Complete

January 2024: Begin leasing First Phase of completed units (6-9 months of construction)

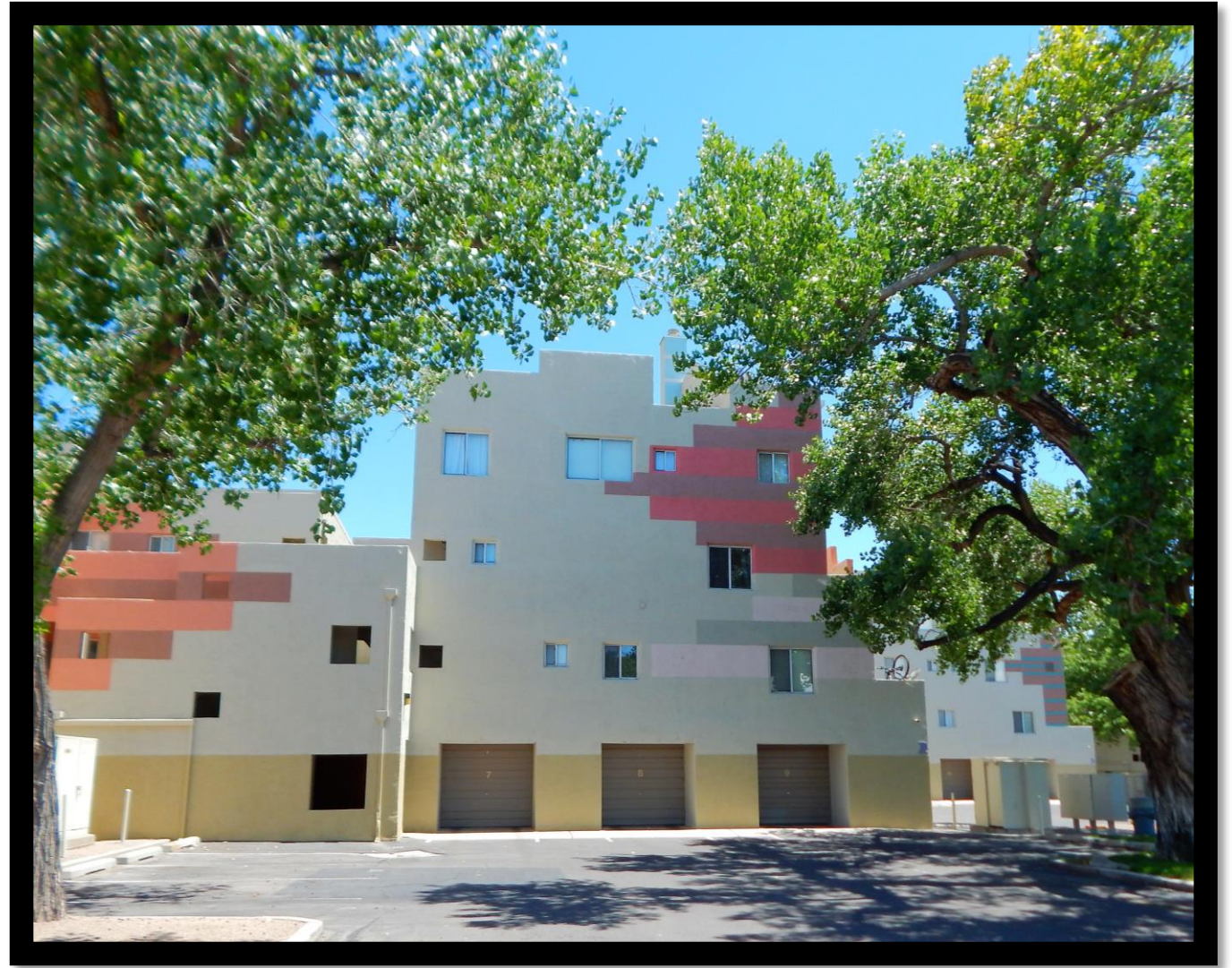


Successfully Managing Program and Market Communities
Since 1982.



Since 1982

- Expertise in USDA, HUD, LIHTC, Market & layered Program Management
- Over 96 Communities managed, containing 8,000+ units, meeting the needs of more than 2 dozen owners
- 11 highly skilled Regional Property Supervisors
- Continuous training, certifications and accrediting to enhance and enable our staff of nearly 300 professional employees
- Established, long-term relationships with local, regional and national Program partners and vendors for the preservation and enhancement of the served communities



Naming Contest

Help us name this new apartment complex!

Winner will receive a basket of OneABQ swag and a special invitation to the ribbon cutting

To be eligible for the prizes, please provide your name and email address along with your entry

Submit entries to FCSinfo@cabq.gov with subject line: "SureStay naming contest" by May 5, 2023



Questions?

Send any additional questions to FCInfo@cabq.gov