

Preliminary Inducement Resolution to Issue Private Activity Bonds

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Community Development Division



Background



- Annually, the City receives an allocation of Private Activity Bonds (PAB)
- The City is a 'conduit issuer' of PAB & incurs no debt related to PAB issues
- Bond proceeds are used to finance development
- Construction of affordable multi-family rental is one of the most common uses of PAB combined with 4% Low-Income Housing Tax Credits (LIHTC)

Recent Allocations



- The City's 2018 allocation = \$24,200,033
- The City's 2019 allocation = \$24,866,520
- August 28, 2018:

City resolution to 'carry-forward' 2018 allocation for the purpose of
“...financing residential facilities for low- and moderate-income families or persons...”

Application Process



- Developers apply to the Community Development Division for PAB financing for affordable multi-family rental projects
- Applications are accepted while PAB is available
- Application requirements
- Review criteria

Resolution Specifics



- Meets Colorado Housing Finance Authority (CHFA) requirements
- Identifies a specific project to be financed with PAB proceeds
- Awards a portion of the City's PAB allocation & sets a limit to the amount of the issue
- Specifies conditions which must be met prior to issuance
- States that no costs associated with the issue will be borne by the City
- Establishes an end-date for all conditions to be met and the issue to occur
- Allows the developer to incur costs that are eligible for reimbursement with bond proceeds

Project Concept



4921 Templeton Gap Road

More Information



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