



Legislation Text

File #: 21-241, **Version:** 1

A Resolution declaring the intent of the City of Colorado Springs to issue its Multifamily Housing Revenue Bonds to finance the construction of Village at Solid Rock, a 77 unit multi-family affordable housing project located at 2520 Arlington Drive

Presenter:

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Summary:

A Preliminary Inducement Resolution for the issuance of Private Activity Bonds (PAB) in an amount not to exceed \$11,200,000 for Village at Solid Rock, a 77 unit affordable housing project located at 2520 Arlington Drive, Colorado Springs, Colorado 80910.

Previous Council Action:

18-038, 19-352, 20-389: Resolutions adopted to carry forward the City's annual private activity bond allocations for the financing of affordable multi-family rental projects.

Background:

In 2018, 2019, and 2020, City Council voted to carry forward its PAB allocations for the purpose of financing qualified residential rental projects, an eligible use of PAB under the IRS code. Carrying forward PAB for multi-family affordable housing is a means for City Council to address the need for additional housing for lower-income populations in the community. The City is a conduit issuer of PAB. As a result, the City assumes no liability for repayment of the bonds. The developer accessing PAB financing agrees to carry all costs related to the bond issuance, marketing and servicing, including attorney's fees, document preparation, and public notifications.

This item supports the Mayor's goal of building or preserving on average 1,000 units of affordable housing each year as established in HomeCOS, the City's affordable and attainable housing plan.

Furthermore, this item is supported by and implements PlanCOS Vibrant Neighborhoods Policy VN-2 -A pertaining to affordable and attainable housing and providing a variety of housing types for households at all income levels.

Financial Implications:

The Village at Solid Rock project will utilize \$11,200,000 of available PAB from the City's annual allocation.

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

Not passing the resolution would delay construction of the project and fail to address a shortage of affordable rentals for lower-income households in the community.

Proposed Motion:

Approve the Resolution declaring the intent of the City of Colorado Springs to issue its Multifamily Housing Revenue Bonds to finance the construction of Village at Solid Rock, a 77 unit multi-family affordable housing project located at 2520 Arlington Drive