



Board Summary Report

File #: 24-396

Agenda Date: 7/23/2024

Agenda #: 6.h.

To: Board of County Commissioners

Through: Katherine Smith, Director, Community Resources

Prepared By:

Elizzebeth Loomis, Division Manager, Community Development, Housing and Homeless Services, Community Resources

Presenter: Katherine Smith, Community Resources Director

Subject:

Private Activity Bonds (PAB) Allocation Assignment

Purpose and Request:

This item is presented to approve the allocation assignment of a portion of the County's 2024 Private Activity Bonds (PAB) to the Housing Authority of the City of Aurora (AHA) to directly or indirectly support the issuance of revenue bonds by AHA or another issuing authority in connection with the administration of a 4% Low Income Housing Tax Credit (LIHTC) loan for one or more qualified residential rental projects, including but not limited to The Stanley (the Project). The Board of County Commissioners (BOCC) reviewed the recommendation of the allocation assignment of the 2024 Private Activity Bonds (PAB) to the Housing Authority of the City of Aurora presented by the Community Development Housing and Homeless Services (CDHHS) staff, during a study session on July 9, 2024, and instructed staff to schedule the item for the consent agenda during a business meeting.

Background and Discussion: The BOCC was presented with an allocation assignment of 2024 Private Activity Bonds (PAB) to the Housing Authority of the City of Aurora for administration of a 4% Low Income Housing Tax Credit (LIHTC) loan for The Stanley, as described below, during a study session on July 9, 2024, and advised staff to schedule the Private Activity Bond allocation assignment approval for consent agenda. The narrative below is a copy of the background and discussion portion of the Board Summary Report (BSR) presented to the BOCC during the July 9, 2024, study session, without any changes.

The Board of County Commissioners approved the 2024 Private Activity Bonds on May 14, 2024. Private Activity Bonds are a tax-exempt bonding authority, used either to create a loan for a project at a tax-exempt rate, or to create a mortgage credit certificate. The State of Colorado established its PAB allocation program by state statute (24-32-1701 et seq, C.R.S.) to provide for the allocation of Colorado's PAB authority.

Community Development Housing and Homeless Services staff is requesting that the assignment allocation of the PAB's for the Project in the amount of \$2,000,000.00 will be administrated by Housing Authority of the City of Aurora (AHA). AHA will utilized the PABs to finance, directly or indirectly, revenue bonds in connection with a 4% Low Income Housing Tax Credit (LIHTC) loan for their inhouse development of the Project.

Fiscal Impact: This request does not have a direct fiscal impact on Arapahoe County's budget but will provide a great benefit to increasing affordable housing in our area.

Alternatives: The BOCC may recommend an alternative allocation assignment of the developments allocation assignment to CHFA.

Alignment with Strategic Plan:

- Be fiscally sustainable
- Provide essential and mandated service
- Be community-focused

Staff Recommendation: CDHHS staff is recommending the PAB allocations assignment presented above, including the authorization of an Assignment of Allocation between the County and AHA.

Concurrence: NA