



Arapahoe County

5334 South Prince Street
Littleton, CO 80120
303-795-4630
Relay Colorado 711

Board Summary Report

File #: 25-295

Agenda Date: 5/27/2025

Agenda #:

To: Board of County Commissioners

Through: Katherine Smith, Director, Community Resources

Prepared By:

Nancy Sonnenfeld, Community Development Administrator, Community Development, Housing and Homeless Services, Community Resources

Presenter: Nancy Sonnenfeld, Community Development Administrator, Community Development, Housing and Homeless Services, Community Resources

Subject:

10:30 AM *2025 Private Activity Bonds

Purpose and Request:

Community Development Housing and Homeless Services (CDHHS) staff is requesting direction from the Board of County Commissioners for the assignment of the County's 2025 Private Activity Bonds allocation totaling \$8,886,811.00.

Background and Discussion: Private Activity Bonds (PABs) 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. Staff are requesting that the assignment of County Private Activity Bond allocations to Colorado Housing and Finance Authority (CHFA) will be used to generate a 4% Low Income Housing Tax Credit (LIHTC) loan for the top-ranking projects awarded funding.

Arapahoe County received seven (7) applications for the 2025 Private Activity Bonds. CDHHS reviewed all applications for completeness, eligibility, developer experience, financial feasibility and the possibility of creation of Prop 123 housing units for multifamily rental units for households at or below 60% of the Area Median Income (AMI). Preference is given to applicants that can close and complete underwriting within 12 months of the award date, effectively leverage equity sources such as Low-Income Housing Tax Credit

(LIHTC) or State Housing Tax Credit (SHTC), and alignment with the County's affordable housing needs, goals, and commitments.

2025 PAB Allocation CDHHS Staff Recommendations:**Arapahoe Peaks**

Developer: Grand Peaks Housing Solutions

PAB Funding Recommendation: \$5,000,000.00

Requested Funding: \$8,886,811.00 (will require \$12 million in bond cap)

Location: 9650 E. Geddes Place, Englewood

County: Arapahoe

Number of Units: 70 units (Studios, one-bedroom)

Target Population: Small families, Seniors, Veterans, Disabled

AMI: 50% AMI and under

Type: Conversion

Grand Peaks Housing Solution is requesting an allocation of PAB funds to conduct a conversion of a 132-room (extended stay) non-residential property to multi-family development. This will create 70 units of affordable housing for households at or under 50% AMI in unincorporated Arapahoe County.

Fox Apartments, Lara Lea Apartments, Regal Apartments ("Progress Park Bundle")

Developer: Grovewood Community Development (GCD)

PAB Funding Recommendation: \$3,000,000.00

Requested Funding: \$3,000,000.00

Location: Progress Park neighborhood, Littleton

County: Arapahoe

Number of Units: 64 units (one, two, and three bedrooms)

Target Population: All Target Groups (ie. Seniors, Individuals, Families, Veterans)

AMI: under 60% AMI

Type: Rehabilitation

GCD is requesting an allocation of PAB funds to preserve and renovate three pre-existing multi-family properties in Littleton. These properties include Lara Lea Apartments (36 units), Fox Street Apartments (16 units), and Regal Apartments (12 units). The scope of work is defined as moderate rehabilitation for Green

Community sustainability. Temporary resident relocation will be provided.

Star Light Development

Developer: South Metro Housing Options (SMHO)

PAB Funding Recommendation: \$886,811.00

Requested Funding: \$8,886,811 (Project will require \$15 million in bond cap)

Location: 589 and 439 W. Littleton Blvd

County: Arapahoe

Number of Units: 74 Units (one, two, and three bedrooms)

Target Population: Families and Individuals that are aging out of Foster Care (18-24 years) **AMI:** 30%-70%

Type: New Construction

South Metro Housing Options (SMHO) is requesting an allocation of PAB funds for the development of a 74-unit affordable multifamily development along Littleton Blvd, with May 2025 purchase of Parcel I and August 2025 purchase of Parcel II.

CDHHS staff have worked diligently with surrounding governmental entities (State of Colorado, Littleton, Englewood, Centennial and Aurora) to support leveraging of limited PAB resources across our jurisdiction. CDHHS staff is not recommending County PAB allocations in 2025 for the following projects:

Arapahoe Green Townhomes

Developer: Arapahoe Green, LLLP c/o Archway Communities, Inc.

Requested Funding: \$8,230,216.00

Location: 1135 S Xenia Street, Denver

County: Arapahoe

Number of Units: 60 units (one, two, and three bedrooms)

Target Population: Families AMI: 30%-60%

Type: Rehabilitation

Justification: In 2024, Arapahoe Green, LLC was awarded \$1,502,112.00 in PAB allocations that was returned to the statewide pool due to financial difficulties.

Asbury Park

Developer: Related Affordable LLC

Requested Funding: \$4,000,000.00 (will require \$13.3 million in bond cap)

Location: 10571-10591 E. Asbury Ave, Aurora

County: Arapahoe **Number of Units:** 44 units (one 1 bedroom, 43 two bedroom) **Target Population:** All Target Groups (i.e. Seniors, Individuals, Families, Veterans)

AMI: 30%-60%

Type: Acquisition/Rehabilitation

Justification: This proposed project is centrally located in Aurora and the application is being considered for PAB allocations by neighboring governmental entities.

Fiscal Impact: Private Activity Bonds (PABs) are administered by the Department of Local Affairs (DOLA) through CHFA and limited by the IRS. This request does not have a direct fiscal impact on Arapahoe County's general budget but will provide a great benefit to increasing affordable housing in our jurisdiction.

Alternatives: The BOCC may recommend an alternative distribution of the County's 2025 PABs or may choose to relinquish the PABs to CHFA for statewide allocations at their discretion.

Alignment with Strategic Plan:

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

Staff Recommendation: CDHHS staff is recommending the PAB funding allocations presented above.

Concurrence: N/A