



## **The Longmont Housing Authority**

DATE: May 13, 2025

TO: LHA Board of Commissioners

FROM: Molly O'Donnell, Housing and Community Investment Director

Subject: Supporting the Parkside & Mountain View Plaza Apartments with an Application to Statewide Balance for Private Activity Bonds

### **BACKGROUND**

Lincoln Avenue Communities (LAC) is the developer of the Parkside & Mountain View Plaza Project, located at 1209 Tulip Street and 1350 Collyer Street in Longmont. This project would rehabilitate 50 affordable family apartments and 80 affordable senior apartments, which are 100% covered by a HUD Housing Assistance Program (HAP) contract, meaning all units serve households supported by HUD vouchers. The developer has already acquired the property and intends to complete an approximately \$9.8M renovation. The entire project cost including acquisition, construction, and soft costs is approximately \$41M.

LAC is seeking out \$21.6M in total tax exempt bonds to finance the project. LAC was successful in obtaining an allocation of the City's 2024 Private Activity Bond (PAB) allocation in the amount of \$6,277,708 and has applied for the City's 2025 allocation, which City Council will consider on June 17, 2025. LAC, through the City, applied for statewide balance of PAB in 2024 and was unsuccessful. LAC intends to apply for \$5,740,908 of bonding capacity from the statewide balance again by June 2, 2025, but due to new state rules for this round, the application must come from LHA as the prospective bond issuer. LAC intends to continue applying for PABs from various sources until it obtains enough bond financing to begin construction, targeted for 2026.

If approved, LAC will use the proposed inducement resolution to demonstrate to the state that LHA will support LAC's efforts in issuing tax exempt bonds if awarded from the statewide balance.

### **RECOMMENDATION**

Adopt a Resolution declaring the intent of the LHA to issue or otherwise assist and support the issuance of private activity bonds to finance the acquisition, rehabilitation, renovation, and equipping of multifamily residential housing facilities known as Parkside & Mountain View Plaza and authorizing carryforward allocation and related volume cap matters.

### **FISCAL IMPACTS OF RECOMMENDATION**

No fiscal impact is anticipated to LHA. Committing to issue bonds on behalf of this project if the State awards the project an allocation from the statewide balance of PABs would not impact LHA's ability to issue bonds to its own sponsored projects in the future.

### **ALTERNATIVE ACTIONS CONSIDERED**

Alternative actions include:

1. Approve resolution and authorize the Board Chair to execute the related documents.
2. Disapprove and provide other direction to staff.

### **ATTACHMENTS:**

1. Resolution No. LHA-2025-08 – Declaring the Intent of the LHA to Issue or Otherwise Assist and Support the Issuance of Private Activity Bonds to Finance the Acquisition, Rehabilitation, Renovation, and Equipping of Multifamily Residential Housing Facilities known as Parkside & Mountain View Plaza and Authorizing Carryforward Allocation and Related Volume Cap Matters
2. Application to the State for a PAB Allocation from the Statewide balance
3. Due Diligence Certificate