



City of Arvada

Housing Authority Agenda

MARCH 18, 2024
SPECIAL MEETING

Councilmembers:

Lauren Simpson, Mayor
Randy Moorman, Mayor Pro-Tem
Shawna Ambrose, District 2
Sharon Davis, At large
Lisa Feret, At large
Bob Fifer, District 4
John Marriott, District 3

Staff Members Usually Present:

Lorie Gillis, City Manager
Linda Haley, Deputy City Manager
Don Wick, Deputy City Manager
Rachel Morris, City Attorney
Jacqueline Rhoades, Director of Public Works
Sharon Israel, Director of Utilities
Jessica Garner, Director of Community & Econ. Dev.
Bryan Archer, Director of Finance
Gabriella Bommer, Director of Human Resources
Rachael Kuroiwa, Director of Communications & Engagement
Kristen Rush, City Clerk

Info: 720-898-7550

CITY COUNCIL CHAMBERS

6:00 PM

- I. Call to Order
- II. Roll Call
- III. Reading and Approval of Minutes of Special Meeting
 1. December 18, 2023 Housing Authority Meeting
- IV. Public Comment
- V. New Business
 1. R-HA-24-01, A Resolution Authorizing Assignment to the Colorado Housing and Finance Authority of a Private Activity Bond Allocation of the Arvada Housing Authority Pursuant to the Colorado Private Activity Bond Ceiling Allocation Act
- VI. Adjourn

SUMMARY OF THE MINUTES OF THE SPECIAL MEETING OF THE ARVADA HOUSING AUTHORITY HELD DECEMBER 18, 2023

I. CALL TO ORDER - by Chairman Simpson at 6:00 p.m.

II. ROLL CALL OF MEMBERS

Those present: Chairman Lauren Simpson, Chairman Pro Tem Randy Moorman, Commissioner Sharon Davis, Commissioner Lisa Feret, Commissioner Bob Fifer, Commissioner John Marriott

Commissioner Fifer moved to excuse Commissioner Ambrose from the meeting.

The following votes were cast on the Motion:

Those voting Yes: Simpson, Moorman, Davis, Feret, Fifer, Marriott

Those Absent: Ambrose

The motion was Approved.

Also present: Lorie Gillis, City Manager; Linda Haley, Deputy City Manager; Don Wick, Deputy City Manager; Rachel Morris, City Attorney; Carrie Espinoza, Housing and Homelessness Program Manager; and Rachael Kuroiwa, Director of Communications & Engagement

III. APPROVAL OF MINUTES – August 7, 2023

The minutes stand approved.

IV. PUBLIC COMMENT – none

V. REPORTS OF THE SECRETARY - none

VI. REPORTS OF COMMITTEES – none

VII. UNFINISHED BUSINESS – none

VIII. NEW BUSINESS

1. R-HA-23-06, A Resolution Authorizing the Arvada Housing Authority to Enter Into a Special Limited Partnership Agreement and a Housing Assistance Payments Contract for the Legacy Senior Residences Development

Carrie Espinosa, Manager, Housing Preservation and Resources, reviewed this resolution with the Authority.

Commissioner Marriott moved to separate the Partnership Agreement from the Payments Contract for the Legacy Senior Residences Development.

The following votes were cast on the Motion:

Those voting Yes: Simpson, Feret, Fifer, Marriott

Those voting No: Moorman, Davis

Those Absent: Ambrose

The motion was Approved.

Commissioner Feret moved that R-HA-06A, A Resolution Authorizing the Arvada Housing Authority to Enter Into a Special Limited Partnership Agreement.

The following votes were cast on the Motion:

Those voting Yes: Simpson, Moorman, Davis, Feret, Fifer

Those voting No: Marriott

Those Absent: Ambrose

The motion was Approved.

Commissioner Feret moved that R-HA-23-06B, A Resolution Authorizing Housing Assistance Payments Contract for the Legacy Senior Residences Development, be approved.

The following votes were cast on the Motion:

Those voting Yes: Simpson, Moorman, Davis, Feret, Fifer, Marriott

Those Absent: Ambrose

The motion was Approved.

2. R-HA-23-07, A Resolution Authorizing the Arvada Housing Authority to Loan LegacyArvada Partners, LP \$840,000.00 to Assist in Financing a Senior Affordable Housing Development to be Known as Legacy Senior Residences.

Carrie Espinosa, Manager, Housing Preservation and Resources, reviewed this resolution with the Authority.

Commissioner Feret moved that R-HA-23-07, A Resolution Authorizing the Arvada Housing Authority to Loan LegacyArvada Partners, LP \$840,000.00 to Assist in Financing a Senior Affordable Housing Development to be Known as Legacy Senior Residences, be approved.

The following votes were cast on the Motion:

Those voting Yes: Simpson, Moorman, Davis, Feret, Fifer, Marriott

Those Absent: Ambrose

The motion was Approved.

IX. ADJOURN at 6:25 p.m.

Lauren Simpson, Chairperson

Carrie Espinosa, Secretary, Housing Authority



REPORT TO HOUSING AUTHORITY

AGENDA ITEM
V.1.

TO: THE HONORABLE CITY COUNCIL

DATE: March 18, 2024

SUBJECT: R-HA-24-01, A Resolution Authorizing Assignment to the Colorado Housing and Finance Authority of a Private Activity Bond Allocation of the Arvada Housing Authority Pursuant to the Colorado Private Activity Bond Ceiling Allocation Act

Report in Brief

Presenter: Carrie Espinosa

The Arvada Housing Authority was awarded \$5 million in Private Activity Bonds (PAB) from the Colorado Department of Local Affairs' PAB Statewide Balance. The Arvada team is recommending assignment of the PAB to the Colorado Housing and Finance Authority (CHFA) with the recommendation that the bonds be used to support the development of Marshall Pointe Apartments located at 5190 Marshall Street in Arvada.

The Arvada team recommends that the City Council approve R-HA-24-01, A Resolution Authorizing Assignment to the Colorado Housing and Finance Authority of a Private Activity Bond Allocation of the Arvada Housing Authority Pursuant to the Colorado Private Activity Bond Ceiling Allocation Act.

Financial Impact

There is no financial impact associated with the proposed action. This action will assign the Arvada Housing Authority 2023 Statewide Balance award of Private Activity Bond (PAB) of \$5 million to the Colorado Housing and Finance Authority.

Background

Lincoln Avenue Capital is proposing the development of Marshall Pointe Apartments, a 260-unit affordable housing project located at 5190 Marshall Street. Marshall Pointe Apartments will be a 100% affordable housing development offering units to households earning an average of 60% Area Median Income or less. Family Tree will offer on-site permanent supportive services to residents.

Lincoln Avenue Capital needs approximately \$60 million in PAB to secure the low income housing tax credits (LIHTC) needed to finance construction costs. In November 2023, the Arvada Housing Authority applied for and was awarded \$5 million in PAB from DOLA's PAB Statewide Balance to support Marshall Pointe Apartments. Lincoln Avenue Capital was successful in securing additional PAB from the following sources:

CHFA:	\$35,000,000
City of Arvada 2023 PAB:	\$7,422,253
Jefferson County:	\$2,000,000
City of Arvada 2024 PAB:	\$7,753,280(applied for full allocation; decision pending)
Arvada Housing Authority	<u>\$5,000,000</u>
	\$57,175,533 Total

Lincoln Avenue Capital is requesting an additional \$3,000,000 in PAB from Jefferson County to fill the remaining gap.

On April 1, 2024, Lincoln Avenue Capital will submit an application to the Colorado Housing and Finance Authority (CHFA)

for federal tax credits. Lincoln Avenue Capital must have the \$60 million of PAB assigned to CHFA as part of the application. The Housing team is recommending that the Arvada Housing Authority assign its \$5 million PAB Statewide Balance allocation pursuant to Section 24-32-1706 of the Allocation Act to CHFA with the recommendation that the bond cap be used for Marshall Pointe Apartments.

Discussion

Marshall Pointe Apartments will offer multiple benefits to the community including a housing option that reduces financial strain for residents, the attraction of a diverse labor force and skills that is important to local economy and stable housing that will lead to better health outcomes for residents. The City team and the Arvada Housing Authority find value in this project and have demonstrated support by offering an \$840,000 loan, an opportunity for a Special Limited Partnership to exempt property and state and local taxes, 8 Housing Choice Vouchers and Private Activity Bonds.

Marshall Pointe Apartments consists of 2 parcels (~4.36 acres) located on the southeast corner of 52nd and Marshall in Arvada, CO. The project will provide 260 affordable units restricted to an average of 60% AMI, with 13 units at 30% of AMI. Family Tree will be providing permanent supportive housing (PSH) services to the property. The project will be a 4-story, wrap-style building with ample amenities, including onsite parking, courtyards, playgrounds, a fitness center, lounges, mail and package rooms, and access controls. In-unit amenities will include washer and dryer hookups, dishwashers, ranges, fully vented range hoods, fridges and freezers, central AC, garbage disposals, microwaves, walk-in closets, and coat and linen closets.

Public Contact

Posting of the City Council agenda

Commission Recommendation

N/A

Strategic Alignment

The recommended action aligns with the following Principle within the Community and Economic Development Priority Area of the City Council Strategic Plan: Improves access to quality housing that is affordable for a broad range of income levels and provides resources and neighborhood assistance services for Arvada residents, neighborhoods, property owners, and stakeholders.

Alternative Courses of Action

N/A

Recommendation for Action

The Arvada team recommends that the City Council approve R-HA-24-01, A Resolution Authorizing Assignment to the Colorado Housing and Finance Authority of a Private Activity Bond Allocation of the City of Arvada Pursuant to the Colorado Private Activity Bond Ceiling Allocation Act.

Suggested Motion:

I move that R-HA-24-01 A Resolution Authorizing Assignment to the Colorado Housing and Finance Authority of a Private Activity Bond Allocation of the City of Arvada Pursuant to the Colorado Private Activity Bond Ceiling Allocation Act, be (approved) (rejected).

Prepared by:

Carrie Espinosa, Manager of Housing Preservation and Resources

SUBJECT: R-HA-24-01, A Resolution Authorizing Assignment to the Colorado Housing and Finance Authority of a Private Activity Bond Allocation of the Arvada Housing Authority Pursuant to the Colorado Private Activity Bond Ceiling Allocation Act

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ITEM: V.1.

Reviewed by:

Approved by:

Carrie Espinosa, Manager of Housing Preservation and Resources	2/28/2024
Jessica Garner, Director of Community and Economic Development	2/29/2024
Bryan Archer, Director of Finance	2/29/2024
Gail Walker, Legal Specialist-Contracts	3/1/2024
Emily Grogg, Senior Assistant City Attorney	3/1/2024
Linda Haley, Deputy City Manager	3/1/2024
Rachel Morris, City Attorney	3/4/2024
Lorie Gillis, City Manager	3/7/2024

Enclosure, exhibits & attachments required to support the report

RESOLUTION NO. R-HA-24-01

A RESOLUTION AUTHORIZING ASSIGNMENT TO THE
COLORADO HOUSING AND FINANCE AUTHORITY OF A
PRIVATE ACTIVITY BOND ALLOCATION OF THE ARVADA
HOUSING AUTHORITY PURSUANT TO THE COLORADO
PRIVATE ACTIVITY BOND CEILING ALLOCATION ACT

WHEREAS, the City of Arvada, Colorado (the “City”), a home rule municipal corporation of the State of Colorado, is authorized and empowered by the provisions of the Housing Authorities Law, Part 2 of Article 4, Title 29 of the Colorado Revised Statutes (the “Act”) and by the Supplemental Public Securities Act, Part 2 of Article 57 of Title 11 of the Colorado Revised Statutes (the “Supplemental Act”), as from time to time supplemented and amended, to issue its revenue bonds for the purpose of providing multifamily residential housing that substantially benefits persons of low income; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), restricts the amount of tax-exempt bonds ("Private Activity Bonds") which may be issued in the State to provide such mortgage loans and for certain other purposes; and

WHEREAS, pursuant to the Code, the Colorado legislature adopted the Colorado Private Activity Bond Ceiling Allocation Act, Part 17 of Article 32 of Title 24, Colorado Revised Statutes (the "Allocation Act"), providing for the allocation of the State Ceiling among the Colorado Housing and Finance Authority (the "Authority") and other governmental units in the State, and further providing for the assignment of such allocations from such other governmental units to the Authority; and

WHEREAS, the Authority seeks to encourage the provision of housing for low-income persons residing in the City of Arvada (the “City”), Colorado (the “State”); and

WHEREAS, the Arvada Housing Authority was awarded \$5,000,000 in Private Activity Bonds (“PAB”) from the Colorado Department of Local Affairs’ PAB Statewide Balance on December 27, 2023 to be used for a carry forward election for the purpose of financing multifamily housing revenue bonds on behalf of Marshall Pointe Apartments; and

WHEREAS, Arvada Housing Authority has determined that the 2023 carry forward allocation, or a portion thereof, can be utilized most efficiently by assigning it to the Authority to issue Private Activity Bonds for the purpose of financing one or more multi-family rental housing projects for low- and moderate-income persons and families or to issue Private Activity Bonds for the purpose of providing single-family mortgage loans to low- and moderate-income persons and families ("Revenue Bonds") or for the issuance of mortgage credit certificates; and

WHEREAS, the Arvada Housing Authority is assigning the \$5,000,000 carry forward PAB to the Colorado Housing and Financing Authority with the recommendation that the bonds be used to support the development of the Marshall Pointe Apartments; and

WHEREAS, the Arvada Housing Authority has determined that the Marshall Pointe Apartments project, including, but not limited to, all supporting public and private facilities, is deemed necessary for sound community development; and

WHEREAS, the Board of Commissioners of the Authority deems it necessary and advisable and in the best interest of the Authority to issue or otherwise support the issuance of Bonds through a delegation of authority to CHFA to enable CHFA to issue the Bonds to finance the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE ARVADA HOUSING AUTHORITY AS FOLLOWS:

Section 1 . The assignment to the Authority of \$5,000,000.00 of the Arvada Housing Authority's 2023 carry forward Allocation be and hereby is approved.

Section 2 . The form and substance of the Assignment of Allocation be and hereby are approved; provided, however, that the Executive Director of the Arvada Housing be and hereby is authorized to make such technical variations, additions or deletions in or to such Assignment of Allocation as they shall deem necessary or appropriate and not inconsistent with the approval thereof by this resolution.

Section 3 . The Executive Director of the Arvada Housing Authority be and hereby is authorized to execute and deliver the Assignment of Allocation on behalf of the City of Arvada Housing Authority and to take such other steps or actions as may be necessary, useful or convenient to effect the aforesaid assignment in accordance with the intent of this resolution.

Section 4 . If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 5 . This resolution to be in full force and effect from and after its passage and approval by the Authority.

APPROVED AND ADOPTED this 18th day of March, 2024.

Lauren Simpson, Chairperson

ATTEST:

City Clerk

APPROVED AS TO FORM:
Rachel A. Morris, City Attorney

By: _____

CERTIFICATE OF THE ARVADA HOUSING AUTHORITY
CONCERNING ASSIGNMENT OF
PRIVATE ACTIVITY BOND VOLUME CAP ALLOCATION

I, the undersigned, hereby certify that I am a duly chosen, qualified and City Attorney of the City of Arvada, Colorado (the “City”) and represent the Arvada Housing Authority, and that:

1. The City is a public body politic and corporate, duly organized and existing under the constitution and laws of the State of Colorado.

2. The Arvada Housing Authority has been previously notified that, pursuant to Section 24-32-1706 of the Colorado Private Activity Bond Ceiling Allocation Act, Part 17 of Article 32 of Title 24, Colorado Revised Statutes (the “Allocation Act”), it has an allocation of the State ceiling (as defined in the Allocation Act) for 2023 in the amount of \$5,000,000 (the “2023 Allocation”).

3. Attached hereto as Exhibit A is a true and correct copy of a resolution and the related minutes thereto (the “Resolution”) authorizing the assignment to the Colorado Housing and Finance Authority (the “Authority”) of all or a portion of the 2023 Allocation in an amount equal to \$5,000,000 (the “Assigned Allocation”), and authorizing the execution and delivery of an Assignment of Allocation dated as of March 18, 2024 (the “Assignment of Allocation”) between the Arvada Housing Authority and the Authority in connection therewith, which Resolution was duly adopted by the Arvada Housing Authority at a meeting thereof held on March 18, 2024, at which meeting a quorum was present and acting throughout and which Resolution has not been revoked, rescinded, repealed, amended or modified and is in full force and effect on the date hereof.

4. The meeting of the Arvada Housing Authority at which action has been taken with respect to the Assignment of Allocation was a special meeting properly called and open to the public at all times.

5. With respect to the Assigned Allocation, the Arvada Housing Authority has not heretofore: (a) issued private activity bonds; (b) assigned the Assigned Allocation to another “issuing authority,” as defined in the Allocation Act; (c) made a mortgage credit certificate election; or (d) treated the Assigned Allocation as an allocation for a project with a carryforward purpose, as defined in the Allocation Act.

6. The Assignment of Allocation, attached hereto as Exhibit B, is in the form presented to and approved by the Arvada Housing Authority at the meeting thereof held on March 18, 2024.

7. On or before the date hereof, counterparts of the Assignment of Allocation were officially executed by the Chair and the City Clerk of the City. On the date of such signing, such persons were the duly sworn, qualified and acting officers of the Arvada Housing Authority

authorized to execute the Assignment of Allocation and holding the offices of the Chair and City Clerk, respectively.

8. The Arvada Housing Authority has authorized the execution, delivery and due performance of the Assignment of Allocation, and the execution and delivery of the Assignment of Allocation and the compliance by the Arvada Housing Authority with the provisions thereof, will not, to the best of my knowledge, conflict with or constitute on the part of the Arvada Housing Authority a breach of or a default under any existing Colorado law, City resolution, court or administrative regulation, decree or order or any agreement or other instrument to which the Arvada Housing Authority is subject or by which it is bound.

9. To the best of my knowledge, there does not exist any action, suit, proceeding or investigation pending, or threatened against the Arvada Housing Authority, contesting (a) the corporate existence of the Arvada Housing Authority, (b) the title of its present officers or any of them to their respective offices, including, without limitation, the members of the Arvada Housing Authority Commissioners, (c) the validity of the Assignment of Allocation or (d) the power of the Arvada Housing Authority to execute, deliver or perform the Assignment of Allocation.

10. No referendum petition has been filed concerning the Resolution; and to the best of my knowledge none is being circulated or planned for circulation.

WITNESS my hand and the seal of the City this March 18, 2024.

Rachel A. Morris, City Attorney

(SEAL)

EXHIBIT A
RESOLUTION

EXHIBIT B

ASSIGNMENT OF ALLOCATION