

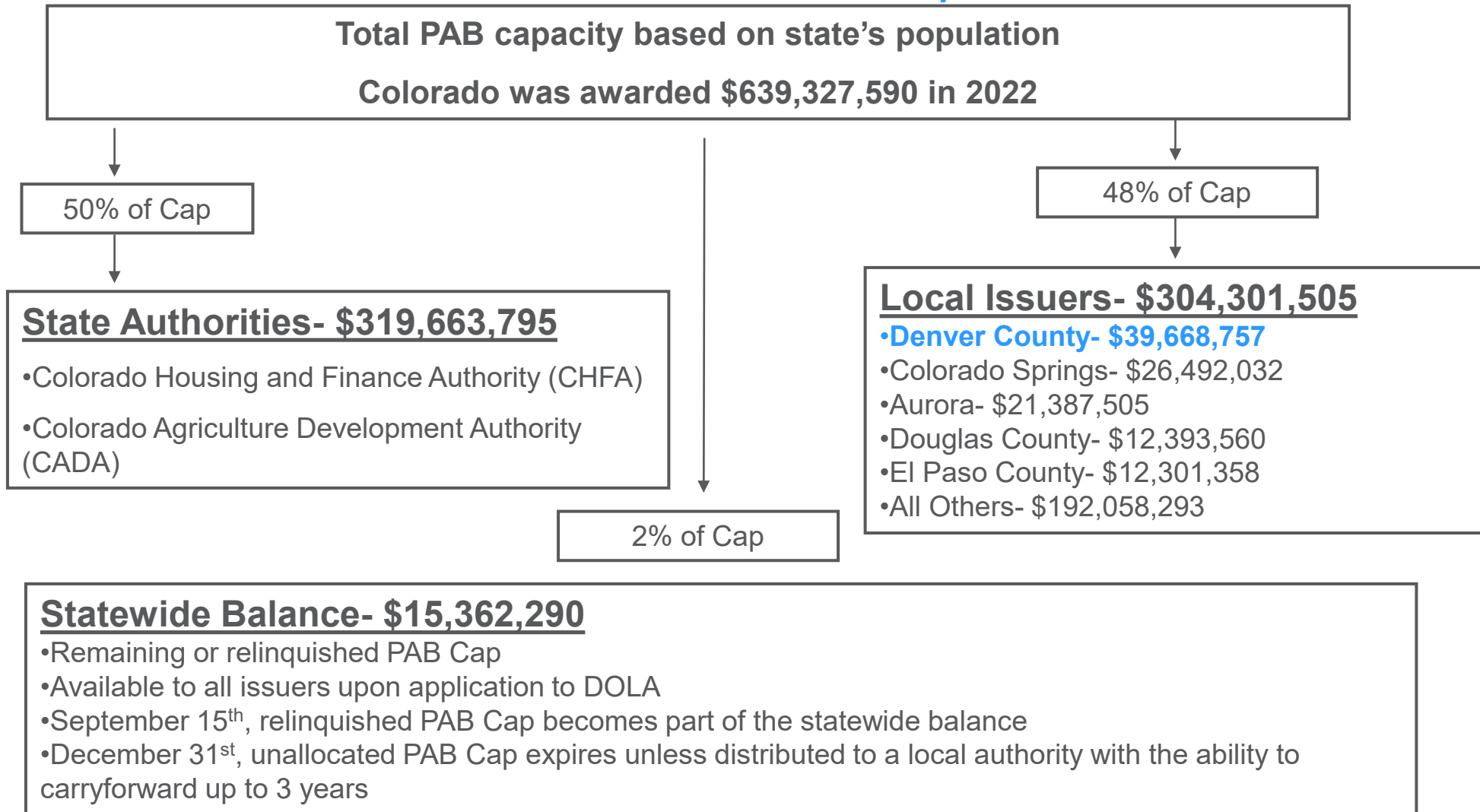


Private Activity Bonds (PAB)

What is a Private Activity Bond (PAB)?

- A bond issued by local and state governments and agencies for the purpose of financing a project that is owned and operated by a private party.
- The interest paid on the bonds is exempt from federal and state taxation.
- Essentially a PAB lowers the financing costs for a project.
 - Provides opportunities for affordable housing projects to be completed.
- The Internal Revenue Service allows a limited amount of tax exempt PABs to be issued, thus creating the PAB allocation process based on a state's population.

PAB Allocation Process- administered by DOLA



PAB Allocation Parameters

- Once local government is awarded the PAB allocation, the IRS allows the PAB allocation to be carried forward up to 3 years.
- By Feb. 15 each year the IRS requires issuers to make an irrevocable election for the carryforward from the previous year.
 - Issuers elect to carryforward their PAB into “buckets”. Historically Denver has designated its carryforward towards Single Family Mortgage/MCC and Multifamily uses.
- Typically the City applies for and receives additional PAB allocation from the unused Statewide Balance.

City Use of PABs

- Typically in Denver PABs have been used for:
 - Affordable Housing Projects
 - Mortgage Credit Certificate Programs

City's PAB Partners

- Denver Housing Authority
 - Providing affordable housing options to citizens
- Colorado Housing Finance Authority
 - Provides affordable housing and financing options for income restricted housing units
- Private Developers
 - Providing Low Income Housing Tax Credit projects creating income restricted housing units.

Denver's Current PAB Allocations as of July 2022

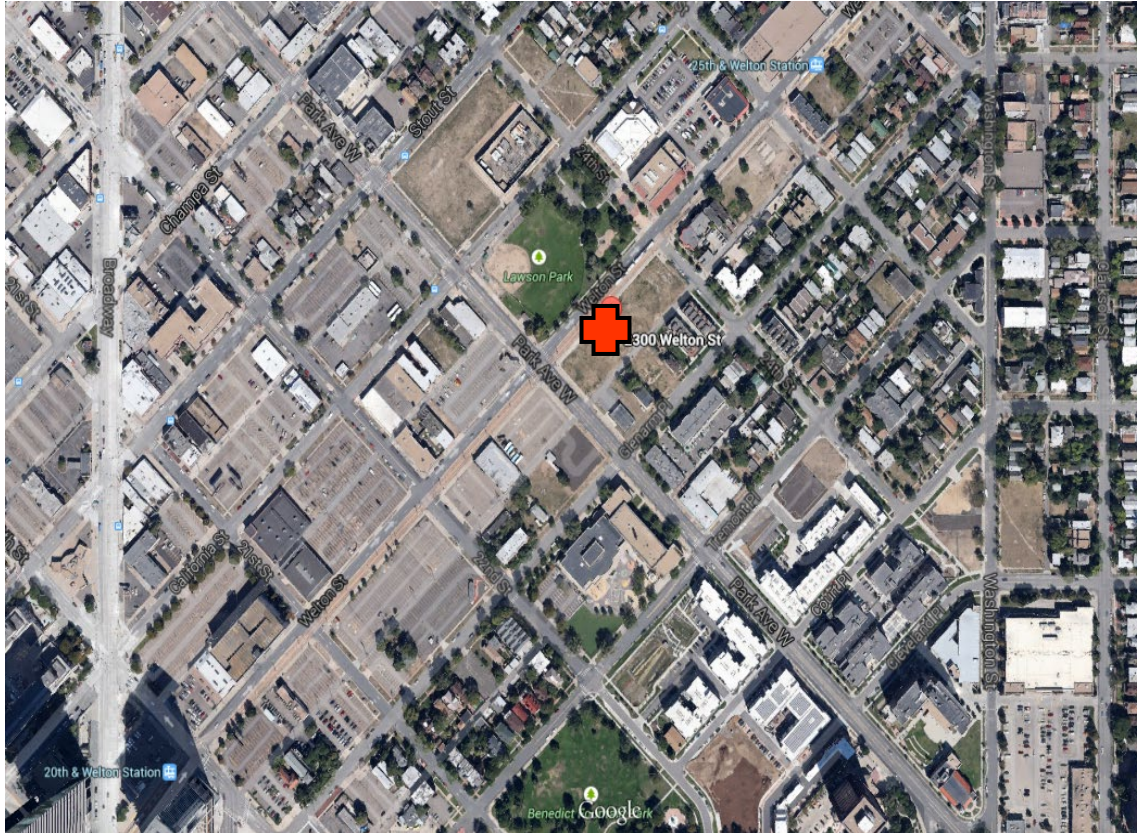
Sources and Uses of PAB Allocation							
PAB Year	Sources	Uses	Source/Use Description	Remaining PAB (incl. proposed)	Current Carryforward Amounts Remaining		Expiration
					Single Family & MCC	Multifamily	
2022	\$ 39,668,757	\$ (25,000,000)	\$25MM-4995 N. Washington Direct Allocation for 2022	\$ 14,668,757	TBD in Feb. '23	TBD in Feb. '23	12/31/2025
2021	\$ 6,814,851 \$ 40,412,528	\$ (14,172,910) \$ (17,318,247) \$ (15,736,222)	\$43MM- 2023 DHA Delegation \$31MM- 2022 DHA Delegation \$18.3MM- Northfield Flats 2021 Statewide Balance Award Direct Allocation for 2021	\$ -	\$ -	\$ 47,227,379	12/31/2024
2020	\$ 2,000,000 \$ 1,370,000 \$ 38,110,648	\$ (13,681,753) \$ (2,563,778) \$ (19,070,000) \$ (2,000,000) \$ (2,165,117) \$ (2,000,000)	\$31MM- 2022 DHA Delegation \$18.3MM- Northfield Flats \$19.07MM- MOC Freshlo \$2MM- CHFA Delegation for Aspgrn \$15.425MM- Mercy The Rose on Colfax Additional \$2MM assignment to DHA for Thrive Delegation Agreement from CHFA for Northfield Flats Delegation Agreement from CHFA for Freshlo Direct Allocation for 2020	\$ -	\$ -	\$ 35,315,531	12/31/2023
2019	\$ 7,117,002 \$ 37,565,325	\$ (10,000,000) \$ (13,259,883) \$ (7,011,222) \$ (14,200,000) \$ (211,222)	\$10.0MM- CCH The Forum \$15.425MM- Mercy The Rose on Colfax \$9MM- REDI Rhonda's Place \$14.2MM- Gorman Avenida del Sol \$27MM- DHA Thrive delegation 2019 Statewide Balance Award Direct Allocation for 2019	\$ -	\$ -	\$ -	12/31/2022
Total PAB Allocation Capacity:				\$ 14,668,757	\$ -	\$ 82,542,910	

- This color represents proposed PAB uses & sources

Projects/Programs Supported by Denver's PAB Allocation

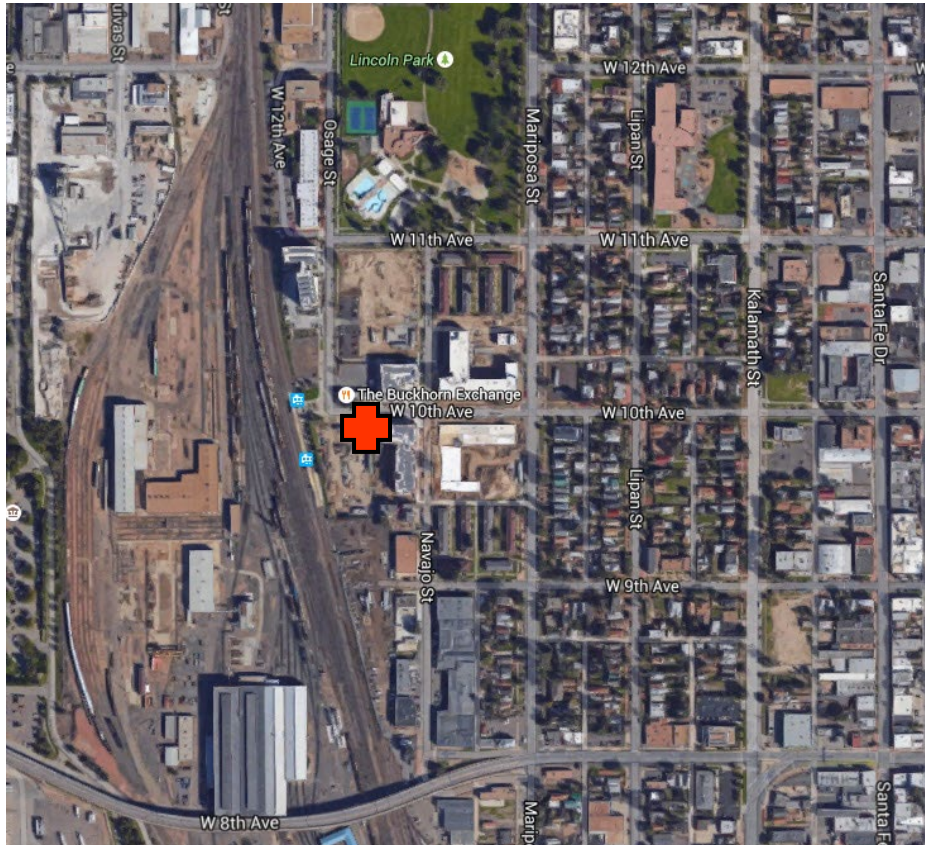
- 2300 Welton
 - Mariposa Phase VII
 - The Colburn
 - The Stella
 - Avenida del Sol
 - Rhonda's Place
- The Forum
 - The Rose on Colfax
 - Various CHFA Projects
 - Various DHA Projects
 - Various MCC Programs

Welton Corridor- 2300 Welton



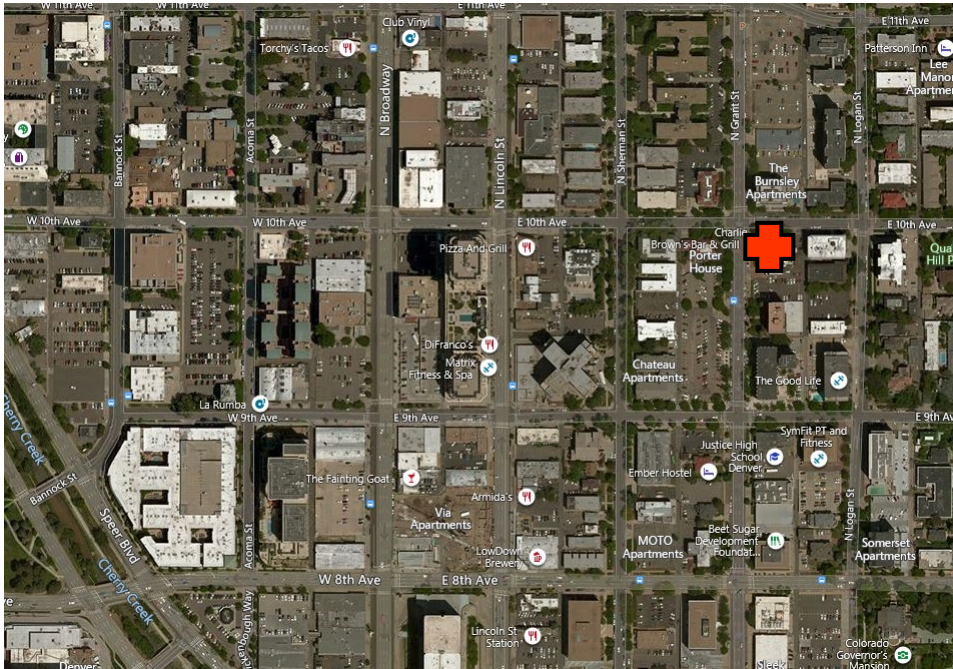
- 233 Units in 2 buildings
 - 11 units @ 30% AMI
 - 212 units @ 60% AMI
- Approximately 268,000 square feet
 - Studio, 1 bed, 2 bed, and 3 bed unit mix

Mariposa Phase VII- 10th and Osage



- Phase VII is a project in the larger Mariposa Development
- Mix of 45 senior/disabled apartment housing units.
- All 45 units are ADA assessable
 - 10 units @ 50% AMI
 - 35 units @ 60% AMI

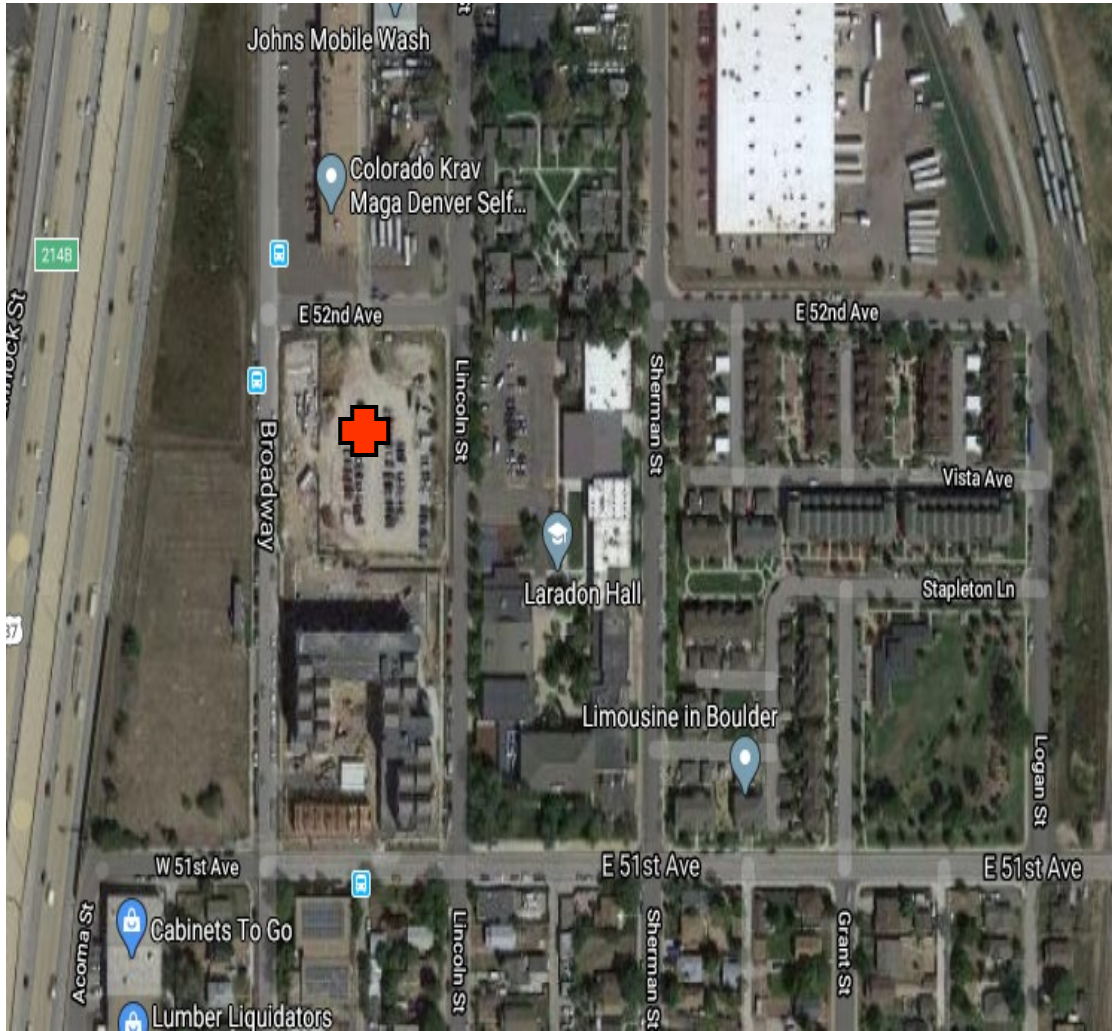
The Colburn- 980 Grant St.



- Preservation and rehabilitation project
- 91 one-bed efficiency apartment housing units.
 - 23 units @ 30% AMI
 - 68 units @ 60% AMI
- 60 year covenant period due to \$3.45M City loan

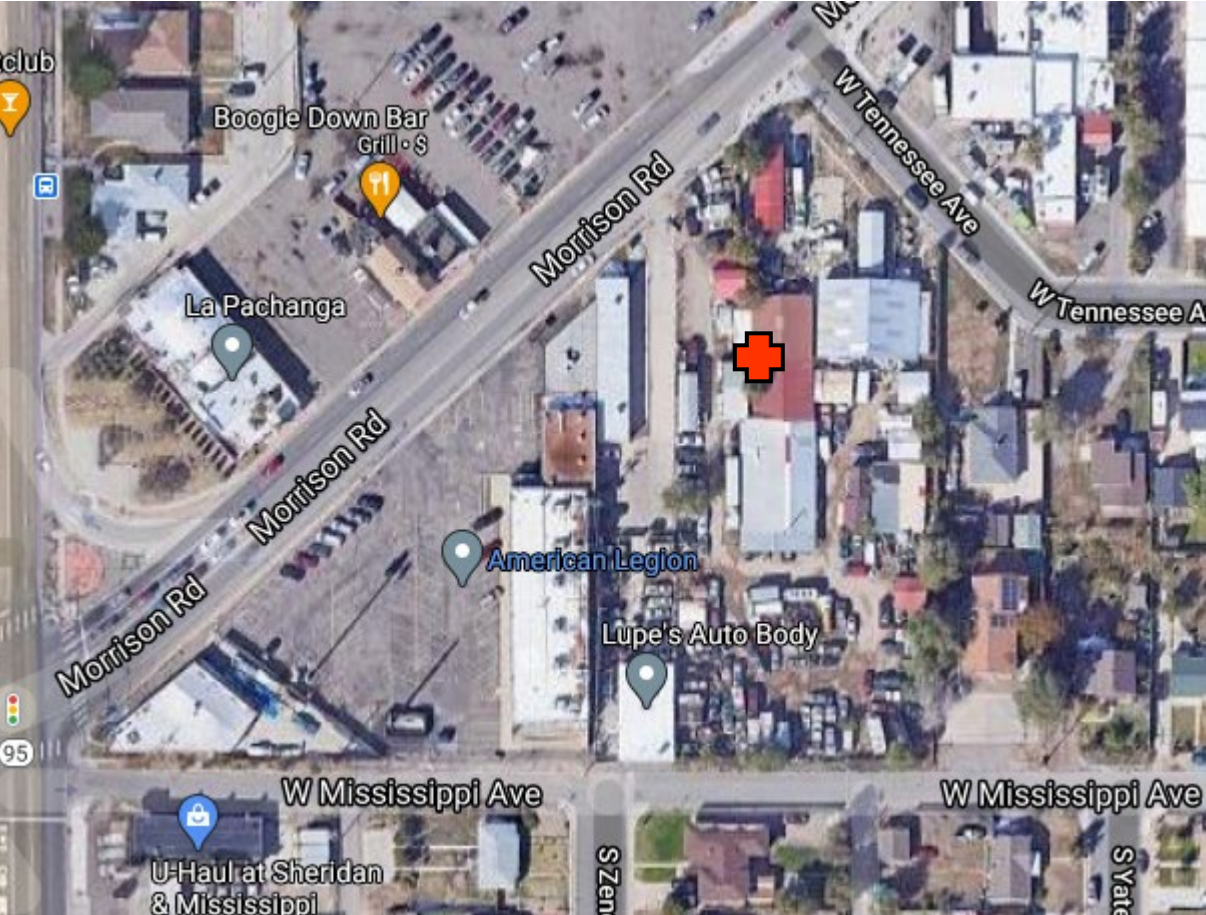


The Stella- 5190 N. Broadway



- New construction project
- 132 unit apartment housing units.
 - 16 units @ 30% AMI
 - 97 units @ 60% AMI
 - 18 units @ 80% AMI
- 60 year covenant period due to \$3.5M City loan

Avenida del Sol- 5190 N. Broadway



- New construction project
- 80 unit apartment housing units.
 - 4 units @ 30% AMI
 - 18 units @ 40% AMI
 - 37 units @ 60% AMI
 - 20 units @ 80% AMI
- 50 year covenant period due to \$1.4M City loan

Various CHFA Projects- Statewide

Project	PAB Allocation Used	# of Units	Type of Units
Copper Peak Apartments Project	\$21,956,795	240	Low income housing units
Northfield at Stapleton Project	\$8,000,000	84	Low income housing units
Renaissance at North Colorado Station Project	\$3,000,000	24	Low income housing units
Westlake Towers Apartments Project	\$5,000,000	50	Low income housing units
13th Avenue II Apartments Project	\$14,000,000	117	Low income housing units
Federally Insured Multi-Family Housing Loan Program Pass-Through Revenue Bonds (Crisman Apartments Project), Series 2016-II	\$10,000,000	114	Low income housing units
Multifamily Note (Manor I and Manor II Apartments Project) Series 2016	\$6,000,000	76	Rehab of low income housing units
Multifamily Revenue Note (Maryel Manor Project) Series 2016	\$2,500,000	50	Low income rental housing units
Multifamily Housing Revenue Bond (Broadway Lofts Project) Series 2016	\$14,000,000	111	Low income housing units
Multifamily Mortgage Revenue Bonds (Centennial Park Apartments Project) Series 2016A & Multifamily Housing Revenue Draw Down Bond (Centennial Park Apartments Project) Series 2016B	\$20,000,000	140	Low income housing units
Multifamily Housing Revenue Note (Congress Park Commons Project), Series 2016	\$3,500,000	32	Low income housing units
Multifamily Housing Revenue Note (Shorter Arms Apartments Project), Series 2016	\$5,000,000	43	Low income housing units
Multi-Family Housing Loan Program Pass-Through Revenue Bonds (Willow Street Residences Project), Series 2016-III	\$5,000,000	80	Rental housing facility
Multifamily Housing Revenue Note (Del Corazon Project), Series 2016	\$13,493,558	197	Rental housing facility
Total	\$131,450,353	1,358	

Various DHA Projects- Citywide

Project	PAB Allocation Used	# of Units	Type of Units
Platte Valley and Gateway North	\$30,000,000	163	Low income housing units
Vida	\$20,000,000	112	Low income housing units
Lowry	\$11,000,000	72	Low income housing units
Mariposa	\$7,500,000	45	Low income housing units
Broadway & Studebaker	\$25,000,000	192	Low income housing units
Thrive	\$29,000,000	135	Low income housing units
Aspgren	\$2,000,000	216	Low income housing units
Total	\$124,500,000	935	

Various MCC Programs- Citywide

MCC Program	PAB Allocation Used	# of MCCs Granted	Program Highlights
2009 MCC Program	\$25,000,000	130	20% credit, no maximum
2012 MCC Program	\$25,000,000	139	30% credit up to \$2,000 maximum
2015 MCC Program	\$37,500,000	165	30% credit up to \$2,000 maximum
2016 MCC Program	\$40,000,000	164	25% credit up to \$2,000 maximum
2017 MCC Program	\$65,000,000	252	25% credit up to \$2,000 maximum
Total	\$192,500,000	990	