



March 15, 2024

Jacob Castillo  
Chief Sustainability Officer  
City of Fort Collins  
P.O. Box 580  
Fort Collins, CO 80522

RE: Request for assignment of 2024 Private Activity Bonding Authority

Dear Mr. Castillo:

Housing Catalyst respectfully requests assignment from the City of Fort Collins' 2024 Private Activity Bond (PAB) cap for the purpose of affordable housing development. As the primary developer and operator of affordable housing in Northern Colorado and the housing authority for the City of Fort Collins, Housing Catalyst intends to utilize this authorization to further expand affordable housing opportunities within the City.

As a quasi-governmental entity formed under the state housing statute, Housing Catalyst will be the direct issuer of bonds utilizing the PAB allocation. Therefore, the City of Fort Collins will not be required to provide assistance, nor incur any costs associated with the utilization of the authorized PAB cap.

**Housing Catalyst contact information for this request:**

Kristin Fritz, Chief Real Estate Officer  
415-531-5617 / [kfritz@housingcatalyst.com](mailto:kfritz@housingcatalyst.com)  
1715 W. Mountain Ave., Fort Collins, CO 80521

**Amount of Allocation Requested: \$10,812,010**

Housing Catalyst is requesting the full amount of \$10,812,010 of the City of Fort Collins' 2024 PAB allocation. Once PAB cap is allocated to Housing Catalyst, it can be carried over or maintained for 3 years to allow for its utilization in an approved project. Housing Catalyst maintains a robust development pipeline to continue to address the enormous need for

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**HousingCatalyst.com**



affordable housing in the community. Any PAB allocation awarded to Housing Catalyst will be utilized to meet this need, either through partnerships or Housing Catalyst’s own pipeline of new construction and preservation projects. Over the past 10 years, Housing Catalyst has developed/preserved over 850 affordable housing units utilizing PAB cap from the City of Fort Collins, Larimer County, and the State of Colorado. This PAB allocation will be dedicated to the Village on Eastbrook and the Remington Parking Lot Redevelopment, in addition to future pipeline projects, including Housing Catalyst properties that have reached their 15-year timeline for renovation.

<b><i>Village on Eastbrook</i></b>	<b><i>Affordable Housing on the site of the Remington Parking Lot</i></b>
<ul style="list-style-type: none"> <li>• <i>Total PAB Need: \$17,000,000</i></li> <li>• <i>73 units, 30 – 80 % AMI</i></li> <li>• <i>Awarded highly competitive Proposition 123 Land Banking Grant</i></li> <li>• <i>Fully entitled, shovel-ready project</i></li> <li>• <i>LIHTC Application Submission: 2024</i></li> <li>• <i>Begin Affordable Housing Construction: 2025</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Total PAB Need: \$19,000,000</i></li> <li>• <i>70-100 Units, 30 – 80% AMI</i></li> <li>• <i>Partnership with the City of Fort Collins</i></li> <li>• <i>LIHTC Application Submission: 2025</i></li> <li>• <i>Begin Affordable Housing Construction: 2026</i></li> </ul>

Currently, Housing Catalyst has \$19,948,201.50 in PAB cap from previous years’ awards that it will utilize for the Eastbrook and Remington projects, in addition to any awards received in 2024 (Housing Catalyst has a pending request for Larimer County’s \$6,518,363 allocation). CHFA has limited PAB per unit to no more than \$175,000. Utilizing this calculation, the \$10.812 million we are requesting will support 61 affordable housing units. The current size of Housing Catalyst’s pipeline projects is between 143 and 173 units, and we are therefore requesting allocations now to build enough cap to meet the needs of the pipeline in the future.

***All PAB awarded to Housing Catalyst will be used for current and future affordable housing projects.***

**Bond Counsel Firm:**

Gilmore & Bell, P.C.      Principal Contact: Ryan Warburton  
 15 West South Temple, Suite 250, Salt Lake City, UT 84101  
 801-258-2726 / rwarburton@gilmorebell.com



### **Description of Applicant’s Local Projects and History of Operations:**

Housing Catalyst is the largest affordable housing developer and property management company in Fort Collins. Founded in 1971 with just one employee, Housing Catalyst now has a staff of more than 100 employees. Housing Catalyst is committed to serving very-low-income households in Northern Colorado and is a leader in developing and managing properties that best meet the needs of the community.

Housing Catalyst’s affordable housing real estate development experience spans more than 15 years and includes both new construction and rehabilitation. Our development portfolio includes 1,047 affordable units in 11 developments financed with both 4% and 9% federal and state Low Income Housing Tax Credits, private activity bonds, CDBG, HOME, Division of Housing, and other local, state and federal funding sources. With this combination of public and private financing, Housing Catalyst secures long-term financing for each development. Housing Catalyst has also been instrumental in creating an additional 600+ affordable housing units through various partnerships with nonprofit and private developers.

Housing Catalyst successfully owns and operates an extensive portfolio of mixed-income developments, manages federal housing vouchers, and provides resident services. In 2022, Housing Catalyst supported 1,794 local families with housing voucher assistance, supported more than 500 residents through its Residents Services programs and its two Permanent Supportive Housing developments, and served 2,179 residents living in Housing Catalyst-managed homes with affordable rents.

Housing Catalyst uses a Triple Bottom Line model to build healthy and sustainable affordable communities. We are led by a skilled executive team with extensive experience in real estate acquisition, development, management, and financial administration. We create vibrant, sustainable communities, incorporating green building design into all our ventures and serving as a model for high standards in asset and property management, as evidenced by numerous awards for project design, innovations, environmental sustainability, accountability, and financial reporting.

***See Attachment A for a summary of local affordable housing development projects.***

**Number of Years Entity has been doing business in State of Colorado: 52 years**



### **Certificate of Good Standing:**

Housing Catalyst was originally formed as the Housing Authority of the City of Fort Collins in 1971 under state statute. As a result, this legal entity does not maintain a corporate filing with the Colorado Secretary of State office and therefore is not required to maintain a Certificate of Good Standing under that entity. The Colorado Department of Local Affairs maintains a database at <https://dola.colorado.gov/lgis/> of active local government entities, which includes Housing Catalyst.

### **Description of Assets to be Purchased or Constructed:**

#### *Village on Eastbrook*

Housing Catalyst has been presented with a unique opportunity to provide new, expedited affordable housing to our community. In 2023, a local developer approached Housing Catalyst with an offer to sell a 2.9-acre parcel of vacant land in a location with many nearby amenities, including a high school, shopping, services, and employment opportunities. Not only does the sale include this prime parcel of land, but it also includes the architectural plans, permits, and approvals for a fully entitled, 73-unit apartment complex. The project was designed by ALM2S, a local architect, who has previous experience working with Housing Catalyst on successful projects. This shovel-ready residential project is a beautiful 3-story, elevator-served building with 44 one-bedroom units and 29 two-bedroom units, as well as a playground and community space.

In addition, Housing Catalyst was awarded a highly competitive Proposition 123 land banking grant, which will fund the \$1.61 million acquisition of the Eastbrook project site. This funding will be received in the spring of 2024 and the purchase of the land will follow. The Final Development Plan, Development Agreement, Building Specifications, and Building Permits are all approved and ready to be issued by the City of Fort Collins. Upon acquisition, Housing Catalyst will continue to work with the existing land planner, architect, and engineering team, all of which Housing Catalyst has worked with on other projects, for a seamless transition that keeps the development moving forward without delay. Housing Catalyst plans to submit a 4% LIHTC application in 2024 and break ground in 2025.

A top priority for Housing Catalyst is to utilize development and partnerships to increase the supply of affordable housing in the community. In alignment with this mission, Housing Catalyst



is working with outside partners to strategically align resources and timing that will ensure the ability for multiple projects to proceed. As a result of this effort, the Village on Eastbrook can proceed with non-competitive tax credits by utilizing larger partnership fees from other local projects. We strongly believe this approach will provide the greatest benefit to the community while keeping this important project on track for development.

#### *Remington Parking Lot Redevelopment*

In April 2022, the City of Fort Collins and Housing Catalyst signed a Memorandum of Understanding to redevelop the Remington Surface Parking Lot as a mixed-use, infill development that includes affordable housing. The MOU stipulates that a 99-year ground lease or purchase option will be executed to transfer control of the site to Housing Catalyst. The current plan is to only transfer the portion of the site that is necessary for the affordable housing development, leaving the remaining parking area intact for future development. This is a rare opportunity to deliver additional affordable housing downtown because this prime real estate is owned by the City of Fort Collins and the City has engaged Housing Catalyst to bring affordable housing to the site.

The redevelopment of the Remington Parking Lot is still in the early stages. As a partnership with the City involving land that is currently owned by the City and serves as parking for downtown residents and businesses, this is a complex project that requires a great deal of planning, negotiation, and coordination. Housing Catalyst has worked with a land planner to develop preliminary concepts for the site and conducted ground water testing to determine underground parking feasibility, as well as environmental reports. Next steps include hiring a design team and refining the site control to specify only specific parcels needed for the development. Housing Catalyst will submit a 4% LIHTC application in the Summer of 2025, with construction starting in Summer 2026.

Both the Village on Eastbrook and the Remington Parking Lot redevelopment will utilize affordable housing financing tools including 4% federal tax credits, Larimer County and City of Fort Collins Private Activity Bond, local CDBG and HOME funds, Colorado Division of Housing resources, housing vouchers, and significant owner equity.

***See Attachment B for additional project information.***



### **Explanation of how project aligns with City objectives:**

Housing Catalyst is the primary affordable housing provider, developer, and operator in the City of Fort Collins and is a public housing authority formed under state statute. All of our projects align with the objectives outlined in the City of Fort Collins 2021 Housing Strategic Plan.

### **Number of Housing Units and Target Demographics:**

There is a significant shortage of affordable housing units in the community with 99% of the affordable housing units in the area occupied. According to a recently conducted market analysis for Housing Catalyst, there is significant demand for additional family LIHTC rental housing in the area, as evidenced by the low vacancy rates; lengthy waitlists and wait times up to 4 years; the projected renter household growth; and the relatively limited supply of new family LIHTC units in the local development pipeline.

#### *Village on Eastbrook*

This project, with its vibrant design, diverse unit mix, amenities, and elevator will be designed for intergenerational living to support the health and well-being of all ages through social interaction and community connections. All units will be between 30% and 80% AMI, with an average AMI of 60%. Housing Catalyst will work with existing local partners such as the Partnership for Age Friendly Communities, the Colorado State University Institute for the Built Environment's (IBE) Lifelong Homes Initiative, and other community groups to create an intergenerational community at the Village on Eastbrook.

In a deliberate effort to help address the physical and mental impacts of loneliness commonly found in seniors in our society, the Village on Eastbrook will focus on ways the built environment and programming can foster connectivity. Housing Catalyst is uniquely positioned to offer this type of community due to its extensive local partnerships and holistic property management, maintenance, and service programs.

#### *Remington Parking Lot*

This development will be a counterpart to Housing Catalyst's Oak 140 development, a 79-unit development in partnership with the Downtown Development Authority adjacent to the Remington Parking Lot that opened in January 2023 and was fully leased within 5 months.



As a complement to Oak 140, which has a majority of one-bedroom units, Housing Catalyst is planning a residential building with a larger number of 2-bedroom units to expand the accessibility of affordable housing downtown. The Remington site could have between 70 and 100 units and will serve a range of incomes, with units available to those earning between 30% and 80% of AMI, while being 100% deed restricted affordable housing.

Housing Catalyst provides more than a place to live. Our goal is to support residents of all ages for long-term stability. Through our Resident Services Program, we provide direct services and connections to local resources that are vital in supporting our residents. We work with dozens of other nonprofits, service providers and initiatives in our community to expand our residents' opportunities and help them reach their educational, employment and economic goals. Our programs focus on four areas:

- **Stability:** Working with residents to ensure they can remain in their homes.
- **Health and Wellness:** Providing a range of activities to support our residents' mental, physical and social wellbeing.
- **Education:** Supporting our resident parents and their children in achieving success at school.
- **Community Engagement:** Organizing activities to cultivate community bonds and nurture a sense of belonging.

**Statement from Bond Counsel of Project Eligibility:** See Attachment C

Thank you for your consideration. I am happy to provide any additional information as needed.

Sincerely,



Kristin Fritz  
Chief Real Estate Officer



# ATTACHMENT A



Housing Catalyst is the largest affordable housing developer and property management company in Fort Collins. Housing Catalyst’s affordable housing real estate development experience spans more than 15 years and includes both new construction and rehabilitation. Our development portfolio includes 1,047 affordable units in 11 developments financed with Low Income Housing Tax Credits, private activity bonds, and other local, state and federal funding sources. With this combination of public and private financing, Housing Catalyst secures long-term financing for each development.

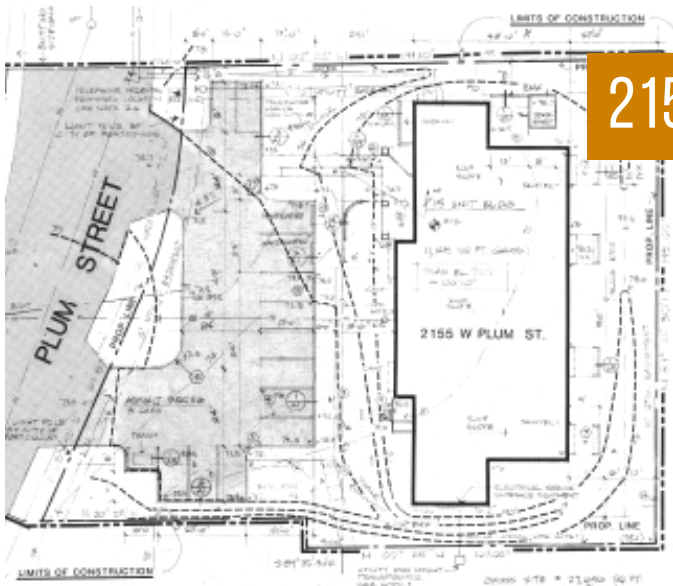
Housing Catalyst uses a Triple Bottom Line model to build healthy and sustainable affordable communities. We are led by a skilled executive team with extensive experience in real estate acquisition, development, management, and financial administration. We create vibrant, sustainable communities, incorporating green building design into all our ventures and serving as a model for high standards in asset and property management, as evidenced by numerous awards for project designs, innovations, environmental sustainability, accountability, and financial reporting.

Housing Catalyst has secured housing tax credits and other local and federal funding sources for the following recent developments and renovations:

## VILLAGE ON IMPALA

EARLY 2025

- (86) 1, 2 & 3 bedroom apartments serving 30% - 70% AMI
- \$44.8M new construction and renovation
- 4% LIHTC, \$17.8M federal tax credit investment, \$19.5M Private Activity Bonds, Section 18 Disposition Proceeds, DOH, HOME, CDBG



## 2155 W. PLUM

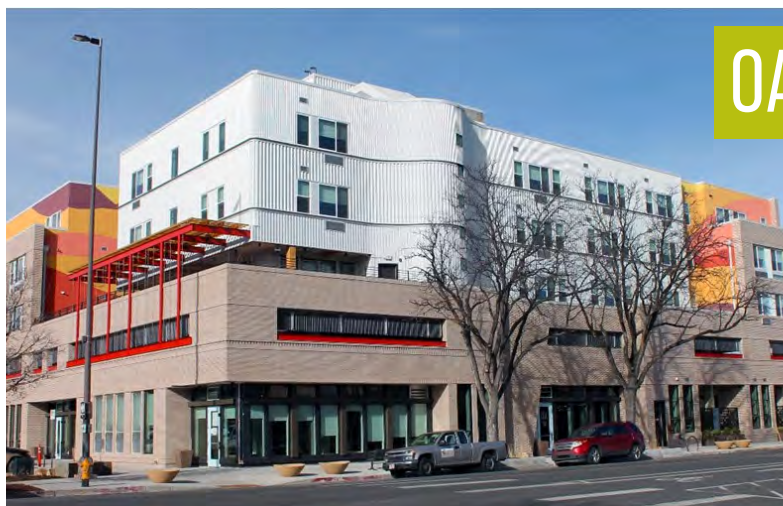
LATE 2024

- (15) 1 bedroom apartments
- Serving 50% AMI or below
- \$3.2M renovation
- Section 18 Disposition Proceeds, CDBG, HOME, Efficiency Works Rebates, Villages Ltd. Equity

# VILLAGE ON BRYAN

2023

- (27) 1 & 2 bedroom apartments
- Serving 50% - 60% AMI and below
- \$3M renovation
- CDBG, HOME, Villages Ltd. Equity



# OAK 140

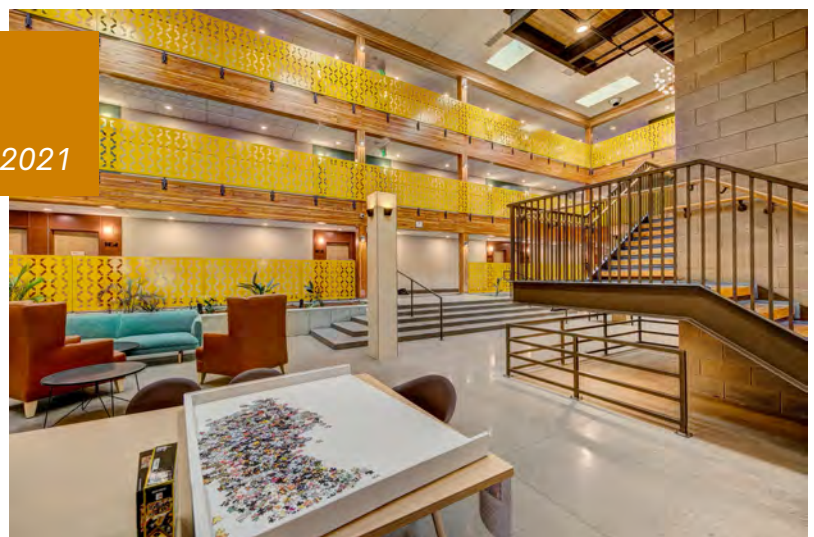
2023

- (79) Studio, 1 & 2 bedroom apartments serving 30% - 80% AMI
- Downtown Fort Collins location
- \$31.5M new construction
- 4% LIHTC, \$13.6M federal and state tax credit investment, \$19.3M Private Activity Bonds, DDA equity, City AHCF

# MASON PLACE PERMANENT SUPPORTIVE HOUSING

2021

- (60) 1 & 2 bedroom apartments
- Serving individuals experiencing homelessness, at or below 30% AMI
- Midtown Fort Collins, transit-oriented development
- \$19.4M new construction
- 9% LIHTC, \$11.9M tax credit investment, City AHCF, DOH, CDBG, HOME



*2022 HOUSING COLORADO EAGLE AWARD*

*2022 CITY OF FORT COLLINS URBAN DESIGN AWARD*

*FINALIST: 2021 AFFORDABLE HOUSING FINANCE READERS' CHOICE AWARDS*



## MYRTLE STREET SINGLE ROOM OCCUPANCY

2021

- 16 apartments at or below 50% AMI
- Serving those experiencing homelessness and reintegrating adult felony offenders
- \$1M renovation
- City of Fort Collins Affordable Housing Fund, Villages, Ltd. equity

## VILLAGE ON SHIELDS

2018

- (285) 1, 2, & 3 bedroom apartments serving 50% - 60% AMI
- \$68M renovation
- 4% LIHTC, \$41.1M federal and state tax credit investment, \$35M Private Activity Bonds, RAD proceeds, CDBG, HOME, Owner loan



*2019 NAHRO AWARD OF EXCELLENCE FOR COMMUNITY REVITALIZATION*

*2019 NAHRO AWARD OF MERIT FOR COMMUNITY REVITALIZATION*

*2019 CO NAHRO YES! IN MY BACKYARD AWARD*



## VILLAGE ON HORSETOOTH

2018

- (96) 1, 2, 3 & 4 bedroom apartments serving 30% - 60% AMI
- First City of Fort Collins Land Bank Project
- \$27M new construction
- 4% LIHTC, \$12.5M federal and state tax credit investment, \$19M Private Activity Bonds, CDBG-DR, RAD proceeds

*2019 NAHRO AWARD OF MERIT FOR PROGRAM INNOVATION IN AFFORDABLE HOUSING*



## VILLAGE ON REDWOOD 2017

- (72) 1,2,3 & 4 bedroom apartments & townhomes in North Fort Collins serving 30% - 60% AMI
- \$19.4M new construction
- 4% LIHTC, \$10M federal and state tax credit investment, \$12M Private Activity Bonds, RAD proceeds

*2018 NAHRO AWARD OF EXCELLENCE FOR PROJECT DESIGN*

*2018 NAHRO AWARD OF MERIT FOR PROJECT DESIGN*

*2018 FORT COLLINS UTILITIES ENERGY EFFICIENCY AWARD*

## REDTAIL PONDS PERMANENT SUPPORTIVE HOUSING 2017

- (60) 1 & 2 bedroom apartments
- All units at or below 30% AMI, serving individuals experiencing homelessness
- South Fort Collins, transit-oriented development
- \$12.5M new construction
- 9% LIHTC, \$8M tax credit investment, CDBG, HOME



*2017 ULI COLORADO IMPACT AWARD FOR INFLUENCE*

*2016 NAHRO AWARD OF EXCELLENCE FOR PROJECT DESIGN*

*2016 NAHRO AWARD OF MERIT FOR PROJECT DESIGN*

*2015 HOUSING COLORADO EAGLE AWARD*



## VILLAGE ON PLUM 2015

- (95) 1, 2 & 3 bedroom apartments serving 30% - 60% AMI
- \$16.1M renovation
- 4% LIHTC, \$5.3M tax credit investment, \$8.75M Private Activity Bonds, Villages, Ltd. equity; previous grantors: City of Fort Collins, DOH

# COMMUNITY NEEDS & DEVELOPMENT PIPELINE PRIORITIES

**Housing Catalyst's goal is to strategically increase the supply of affordable housing, through new development, preservation, acquisitions, and partnerships.**

According to the 2021 City of Fort Collins Housing Strategic Plan, disproportionate increases in housing costs have continued to place a strain on residents. From 2010-2020, rents in Fort Collins increased 68%, the median sales price of single-family detached homes increased 124%, and the median sales price of townhomes and condos rose 164%. During the same time period, wages increased by just 25%.

With demand for rental homes at an all time high, rents continue to rise. In 2012, 50% of the rental housing stock cost less than \$1,000 per month to rent. In 2018, only 20% of the rental housing stock cost less than \$1,000 per month. More than 60% of renters in Fort Collins are considered "cost burdened," spending more than 30% of their income on housing.

Similar trends are taking place at the county level. Larimer County has added about 55,000 residents since 2010. Growth is concentrated in incorporated areas, particularly those along the I-25 corridor. According to Larimer County's 2021 Housing Needs Assessment, the median rent in Larimer County increased from \$849 to \$1,228 per month between 2010 and 2018. Renter incomes did not keep pace with the 45% increase.

Housing market conditions, among other factors, have contributed to the number of people experiencing homelessness in Northern Colorado. According to the Northern Colorado Continuum of Care, an estimated 1,500-2,000 individuals are without a stable home. About 600 are experiencing chronic homelessness, having been without a home for at least one year.

**As a mission-driven real estate developer, Housing Catalyst forges public-private partnerships to build and preserve affordable homes to meet the vast and growing need in our community.**



## DEVELOPMENT PROJECT PRIORITIES & CRITERIA

Housing Catalyst consistently develops affordable housing units at 30% - 80% AMI and maintains a robust development pipeline to continue to address significant demand for affordable housing in Fort Collins and Larimer County. Selection criteria for projects and partnerships prioritize:

- Creating new affordable housing or preserves or sustains existing affordable housing at risk of being lost or adversely affected
- Including households that earn 30-50% of Area Median Income (AMI)
- Serves special needs populations, such as elderly or persons with disabilities, in all or some units
- Securing long-term or permanent affordability
- Protecting and utilizing local funding resources wisely

# ATTACHMENT B

# VILLAGE ON EASTBROOK



- (73) 1 & 2 bedroom apartments
- Serving 30% - 80% AMI
- \$32.5M new construction
- Awarded \$1.6M Proposition 123 Land Banking Grant
- 4% LIHTC application: August 2024
- Construction: 2025-2026
- Fully entitled, shovel ready project
- Total PAB needed: \$17,000,000

VICINITY MAP



# REMINGTON PARKING LOT REDEVELOPMENT



VICINITY MAP

1" = 500'

- 70 - 100 Studio, 1 & 2 bedroom apartments
- Serving 30% - 80% AMI
- \$35.7M new construction
- Partnership with the City of Fort Collins
- 4% LIHTC application: July 2025
- Construction: 2026-2027
- Total PAB needed: \$19,000,000

# ATTACHMENT C





15 West South Temple, Suite 1450  
Salt Lake City, Utah 84101-1531

(801) 364-5080 / (801) 364-5032 FAX / gilmorebell.com

March 13, 2024

Jacob Castillo  
Chief Sustainability Officer  
City of Fort Collins  
P.O. Box 580  
Fort Collins, CO 80522

Re: Housing Catalyst request for assignment of 2024 Private Activity Bonding Authority  
from the City of Fort Collins

Dear Mr. Castillo:

We serve as bond counsel to Housing Catalyst. You will receive this letter as part of a package requesting an assignment from the City of Fort Collins, Colorado of its 2024 Private Activity Bond (PAB) cap to Housing Catalyst. Housing Catalyst intends to use the PAB authority to issue multifamily housing revenue bonds to finance in part the acquisition, construction and/or rehabilitation of one or more multifamily housing apartment developments within the City of Fort Collins. The proposed bonds can be validly issued by Housing Catalyst under Part 2 of Article 4 of Title 29 of the Colorado Revised Statutes, as amended and Article 56, Title 11, Colorado Revised Statutes, as amended. Further, such bonds will be classified as private activity bonds issued as exempt facility bonds for qualified residential rental projects under Section 142(a)(7) of the Internal Revenue Code of 1986, as amended, and consequently will require an allocation of volume cap.

Should you have any questions with respect to this financing please feel free to contact us at any time.

Very truly yours,

A handwritten signature in blue ink that reads "Gilmore &amp; Bell, P.C.".

Gilmore & Bell, P.C.

cc: Julie Brewen, CEO