



City of Fort Collins Private Activity Bonds Request

March 15, 2023

Applicant Information:

CARE Housing
1303 West Swallow Road, Bldg. 11
Fort Collins, CO 80526

Contact: Kim Iwanski, Director of Housing Development
970-218-1829, kiwanski@carehousing.org

Amount requested

CARE Housing is requesting \$4 million in Private Activity Bonds for the construction of Heartside Hill Apartments. This project has previously secured \$16.1 million in Private Activity Bonds from the State of Colorado through the Colorado Housing and Finance Authority.

Bond counsel contact information

Cory Kalanick
Sherman and Howard LLC
675 Fifteenth Street, Suite 2300, Denver, Colorado 80202
Direct: 303.299.8373 | Main: 303.297.2900
ckalanick@shermanhoward.com

Description of applicant's local projects and history of operations

CARE Housing is Northern Colorado's largest local, private nonprofit affordable rental housing developer and housing service provider. During its 30 years in business, CARE has developed seven affordable housing communities in Northern Colorado, providing homes to over 950 individuals, half of whom are children. Six of those communities are in Fort Collins and one is in Windsor.

Fort Collins projects:

Greenbriar (1994): New construction, 40 units
Swallow (1996): New construction, 40 units
Eagle Tree (1998): New construction, 36 units
Windtrail (2001): New construction, 50 units
Fairbrooke Heights (2002): New construction, 36 units
Provincetowne Green (2011): New construction, 85 units
Swallow Road Apartments Acquisition and Rehab (2022): Rehabilitation 84 units (44 acquired from Housing Catalyst in 2021)

1303 W. Swallow Road Bldg. 11, Fort Collins, CO 80526
www.carehousing.org (970)282-7522 or TTY (800)659-2656





Number of years doing business in the State of Colorado and a Certificate of Good Standing from the Secretary of State's office

CARE Housing has been in business in Colorado for 30 years. Attached is our Certificate of Good Standing.

Description of assets to be purchased or constructed

This request is to help fund the construction of a multifamily rental community for people who struggle to find affordable housing in Fort Collins. CARE Housing, Inc. (CARE) is in the final development review process for the construction of Heartside Hill Apartments (HHA)— a 72-unit apartment community that will anchor a neighborhood campus in southeast Fort Collins.

HHA will be configured as 6 multifamily, 3-story, 12-plex buildings. The buildings are designed for energy efficiency to meet Enterprise Green Communities standards (EGC), Zero Energy Ready Homes certification requirements (ZERH), Fort Collins 2021 Building Code, and Fort Collins Integrated Design Assistance Program (IDAP) metrics. All buildings will be "Electrification ready" to comply with local code standards and could attain "net zero" energy input with the addition of photovoltaic (PV) electricity generation.

The apartments will be built with durable and allergen-friendly materials, as well as energy efficient and low-water systems. Other amenities will include covered bicycle storage, community Wi-Fi, washers/dryers in each home and a residential clubhouse.

Explanation of how the project aligns with City objectives

The 2021 Housing Strategic Plan sets an ambitious vision that everyone in Fort Collins has healthy, stable housing they can afford. Heartside Hill Apartments is one more step towards achieving that goal by adding 72 affordable rental units. The unit mix includes 1-bedroom, 2-bedroom, 3-bedroom and 4-bedroom homes, to provide homes for a range of household sizes.

CARE is the master developer for the Heartside Hill campus. This campus will provide a diversity of housing options to meet a range of affordable housing needs. This includes multifamily rentals; single-family homes for low-income buyers; and homes for adults with intellectual and developmental disabilities.

This development promotes inclusivity, housing diversity, and affordability as outlined in the Housing Strategic Plan. The apartment homes are targeted to people with household incomes between 30%-60% of the area median income. The monthly rent will equate to approximately 30% of a household's income.

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To enhance the well-being of all residents, Heartside Hill's campus will offer outdoor play areas for children, walking paths, gathering spaces, and community gardens. Additionally, a community center will offer a resident clubhouse with flexible space for community gatherings, along with early childhood education, youth services and additional support services to onsite residents and the surrounding neighborhoods.

To support each family in their emotional, physical, and financial stability, CARE Housing provides housing stability services for families when needed. These services will be available to residents of Heartside Hill. These services include an Eviction Prevention Program (EPP) and an emergency rent assistance program, the Sister Mary Alice Legacy Fund. The resident services program also helps residents navigate other resources in the community and partners closely with other local organizations to do so.

Number of housing units and target demographics

Heartside Hill Apartments will provide 72 affordable rental homes to people earning below 60% of the area median income. With a mix of units ranging from 1-4 bedrooms, this property will serve individuals with disabilities, single adults, seniors, and families. CARE will partner with Housing Catalyst to provide 16 project-based vouchers (PBV) to help deepen the affordability for residents with (5) 30% AMI units, (8) 40% AMI units, and (3) 50% AMI units.

The breakdown in overall target income levels is as follows:

- 5 units at 0-30% AMI
- 16 units at 31-50% AMI
- 51 units at 51-60% AMI

Statement from bond counsel that project is eligible for Private Activity Bonds

Attached is a letter of bond qualification from our bond counsel.

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