



REDEVELOPMENT & REVITALIZATION DIVISION

PHONE: 303-651-8318

FAX: 303-651-8590

385 KIMBARK ST., LONGMONT, CO 80501

Private Activity Bonds

Request for Applications

The City of Longmont is pleased to announce this Request for Applications for the City's 2017 Private Activity Bond (PAB) Allocation. The City has received its 2017 PAB allocation in the amount of **\$4,631,650**. The City of Longmont annually receives a PAB allocation from the Colorado Department of Local Affairs that allows tax exempt bond financing for a variety of economic development and/or affordable housing projects.

PABs are designed to offer low-cost financing that encourages private sector investment in communities throughout the country. PABs encourage investment in projects that increase the tax base of a local community, including: (1) affordable housing, (2) economic development/manufacturing, (3) infrastructure, and (4) environmental projects. This form of bond financing can provide 100% financing of land, building, equipment and machinery, as well as project development costs, financing costs and other costs incidental to the issuance of bonds.

Eligible uses of the PAB program are wide ranging and include:

- **Qualified residential rental projects** – Bond proceeds are used to finance new construction or acquisition/rehabilitation of housing for persons with low and moderate incomes.
- **Single-family mortgage revenue bonds** – Bonds sold by local and state agencies, to be used for mortgages for persons with low and moderate incomes.
- **Mortgage Credit Certificates** – Local issuers can elect to use a bond allocation as mortgage credit certificates for income-qualified homebuyers.
- **Student loans** – Proceeds are used to provide low interest loans to eligible students at institutions of higher education.
- **Manufacturing "small issue" industrial development bonds (not to exceed \$10,000,000)** – Bonds sold for construction of manufacturing facilities that cause a change in the condition of goods or products.
- **Qualified redevelopment bonds** – Bonds sold to acquire property in blighted areas; prepare land for redevelopment; and relocate occupants of structures on the acquired property.
- **Exempt facility bonds** – Hazardous waste facilities, solid waste disposal facilities, water and sewer facilities, mass commuting facilities, local district heating and cooling facilities, local electric energy or gas facilities, and multifamily housing bonds.

To obtain a copy of the application package, including the City of Longmont's PAB Procedures and Guidelines, or for more information please contact:

David Starnes
City of Longmont
385 Kimbark Street
Longmont, CO 80501
303-651-8318
david.starnes@longmontcolorado.gov

Applications will be accepted until June 23, 2017

