

# private activity bond stakeholder outreach

Implementation of new Federal Legislation  
September 10, 2025

colorado housing and finance authority



# about chfa

CHFA was established in 1973 by the Colorado General Assembly.



**CHFA is not a state agency** and does not receive any direct appropriations.

Board of Directors: **11 Members**



**CHFA received authority to use bond proceeds** for economic development activities in 1982.



Approximately **\$37.4B** has been raised and invested in Colorado to date.

*financing the places where people live and work®*

# mission

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We strengthen Colorado by investing in affordable housing and community development.

# vision

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Everyone in Colorado will have the opportunity for housing stability and economic prosperity.

# private activity bond volume cap

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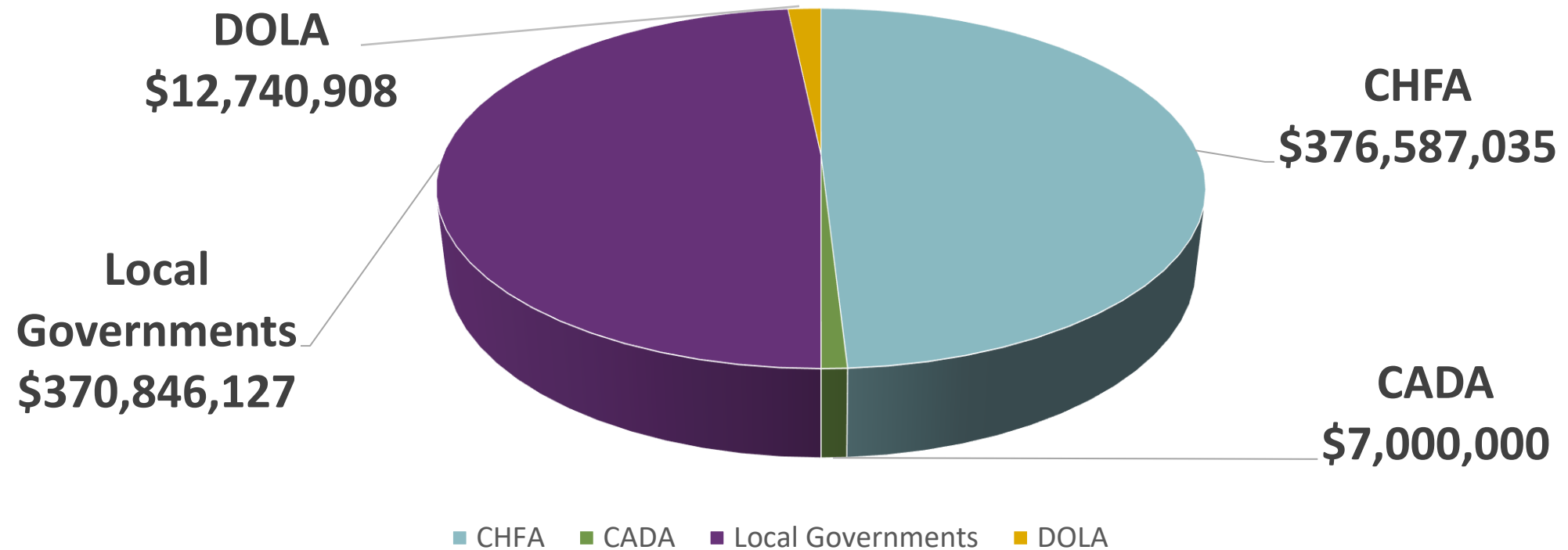
Each year Department of Local Affairs (DOLA) receives a Colorado population-based allocation of PAB volume cap

*Per statute:*

- 50% to statewide authorities
  - Colorado Agricultural Development Authority
  - Colorado Housing and Finance Authority
- 50% to local governments (greater than \$1M, pro-rata by population)
- Balance to DOLA



# 2025 private activity bond direct allocations



# h.r. 1 permanent provisions

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- Decreases PAB finance – by threshold from 50% test to 25%
- Increases 9% Housing Tax Credit allocation by 12%



# long term impact

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Over the next decade for Colorado:

- 30,600 additional affordable apartment homes
- 45,800 jobs
- \$5.17 billion in wages and business income
- \$1.79 billion in federal, state and local taxes

Estimates from [Novogradac](#)





# short term impact

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- Period of market adjustment and volatility with Housing Tax Credit equity pricing
- Potential for increased financial gaps
  - Decrease in PAB threshold lowers tax-exempt financing and increases possibility of feasibility gaps
- Opportunity for preservation projects





# chfa proposed implementation

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**2025:** Not more than 50% PAB financing, lower when feasible

**2026:** Not more than 45% PAB financing, lower when feasible

**2027:** Higher of 30% PAB financing or permanent mortgage



# chfa timeline of implementation

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## July and August:

- Engagement with National Cohort and Tax Credit Experts
- Overview and outreach with DOLA, HOST and OEDIT
- Engagement with CHFA's Tax Credit Advisory Group (TAG)
- Convene PAB Issuer Roundtable Event

## September and October:

- General Stakeholder Outreach and Engagement Session
- Engagement with experts, TAG, stakeholders ongoing

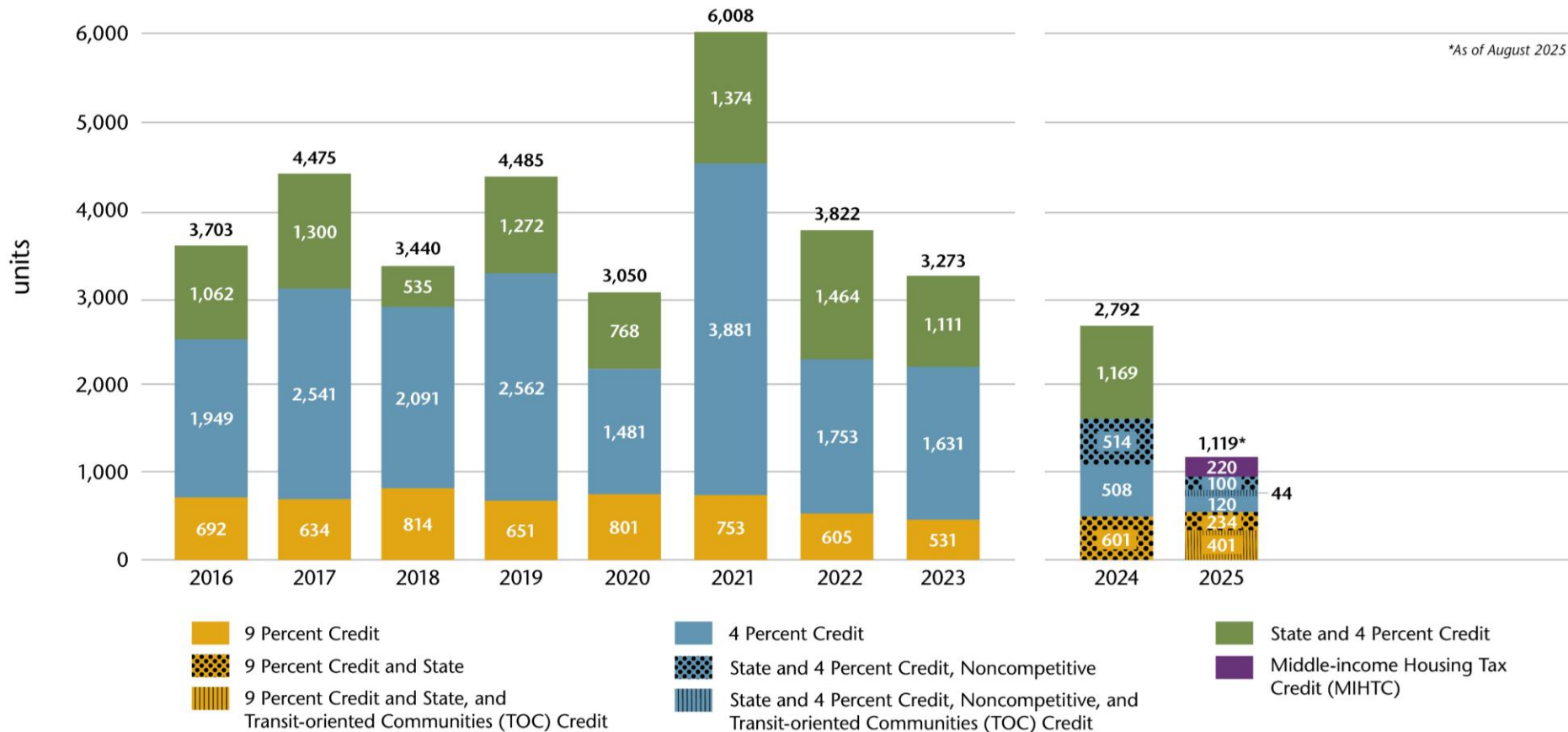
## November:

- CHFA 2026 PAB Budget Outreach and Engagement Session





# units supported with housing tax credits



As of August 2025

# Colorado Department of Local Affairs Division of Housing

## PAB Strategy Updates

Please direct feedback to:

Elisa (Lisa) Blakeney

*PAB Program Manager*

[elisa.blakeney@state.co.us](mailto:elisa.blakeney@state.co.us)



# City and County of Denver: HOST

- HOST forward commits PAB in Summer prior to allocation year.
- March LOI, May Application, Commitments in July
- For 2026, 30% PAB reservations, allowances for up to 35%
- Final amount issued based on final underwriting and feasibility (25-35%)

## Contacts

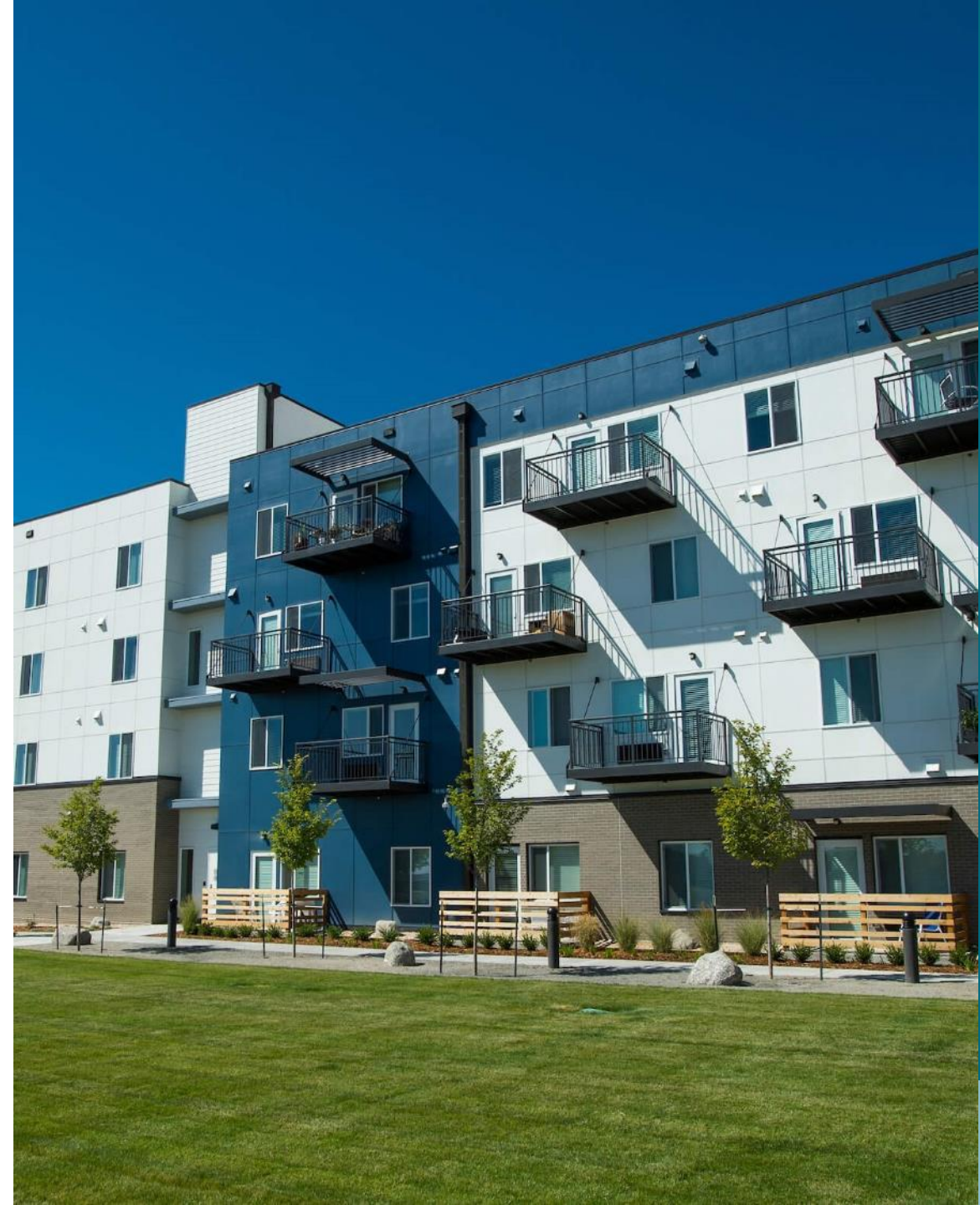
- Adam Lyons, [adam.lyons@denvergov.org](mailto:adam.lyons@denvergov.org)
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# chfa pab budget

2026 outlook



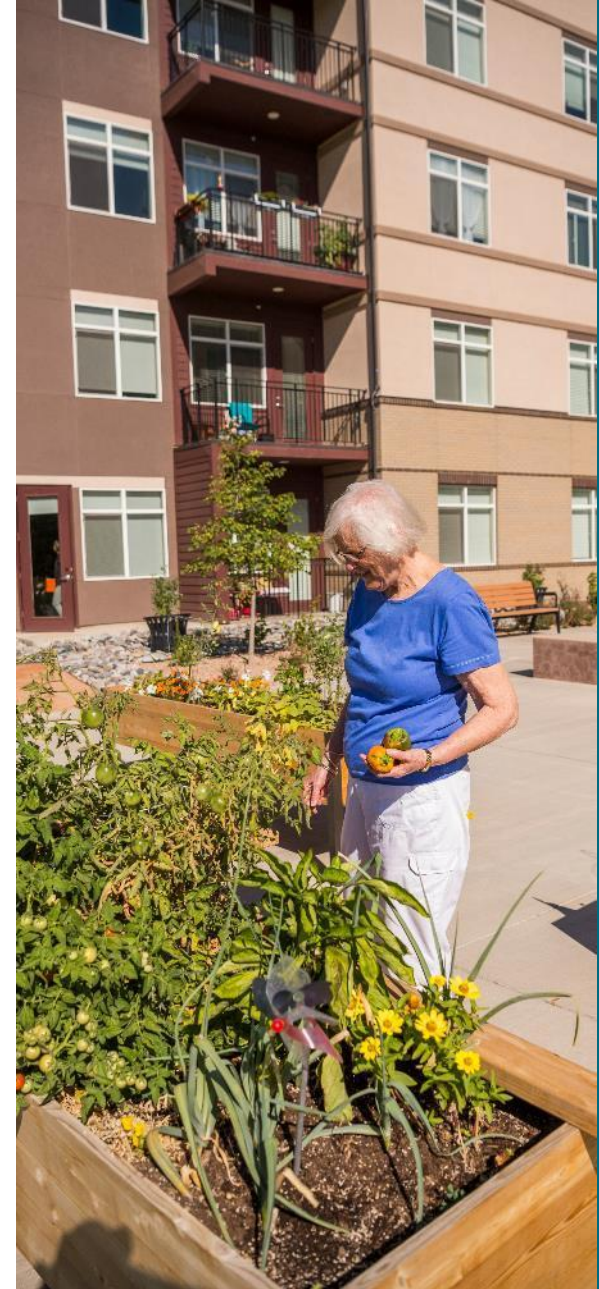


# chfa's volume cap

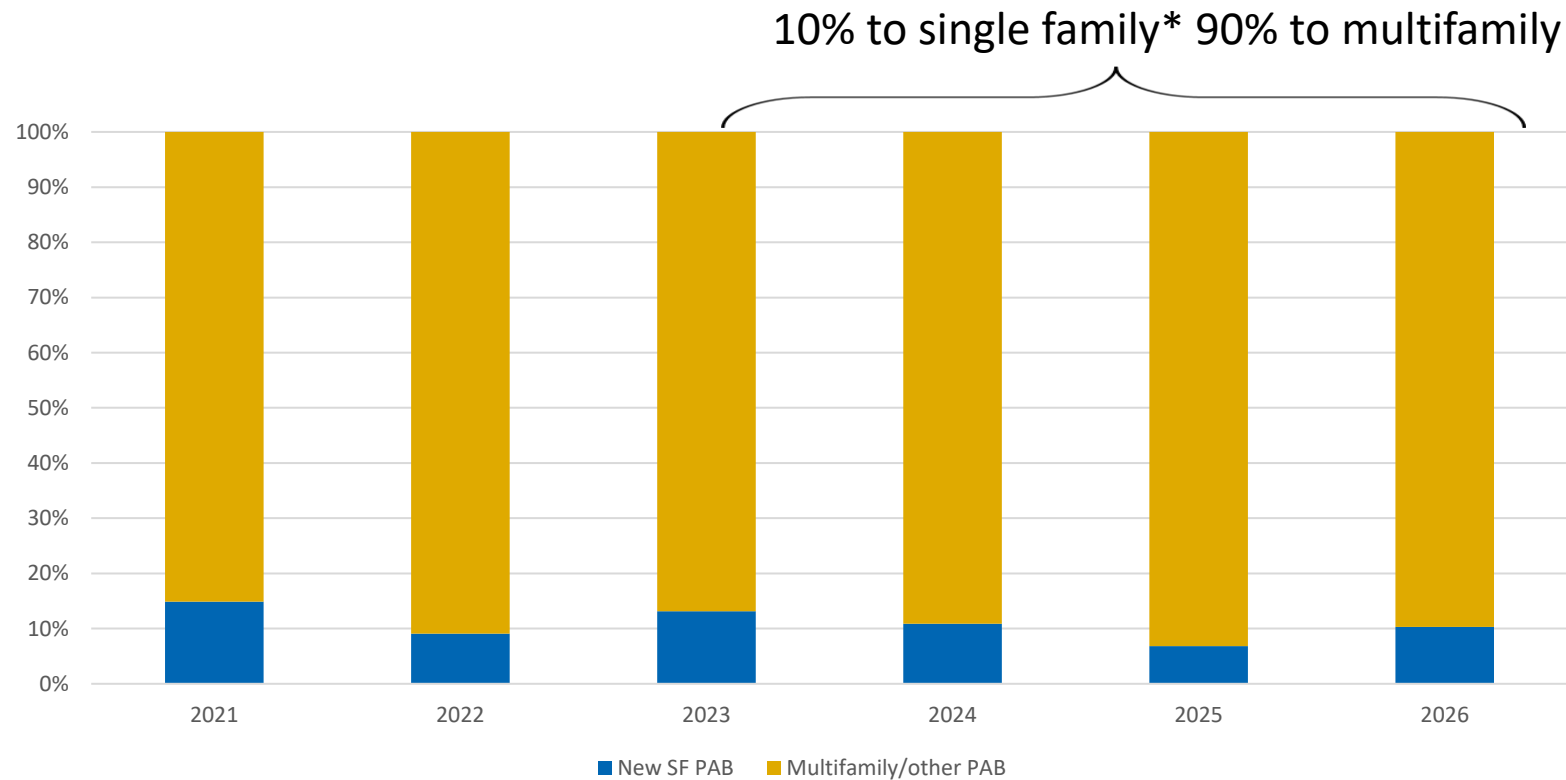
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CHFA uses **private activity bond volume cap** to support both housing and economic development

- Affordable multifamily development lending (construction and permanent)
- Single family mortgage lending
- Economic development lending

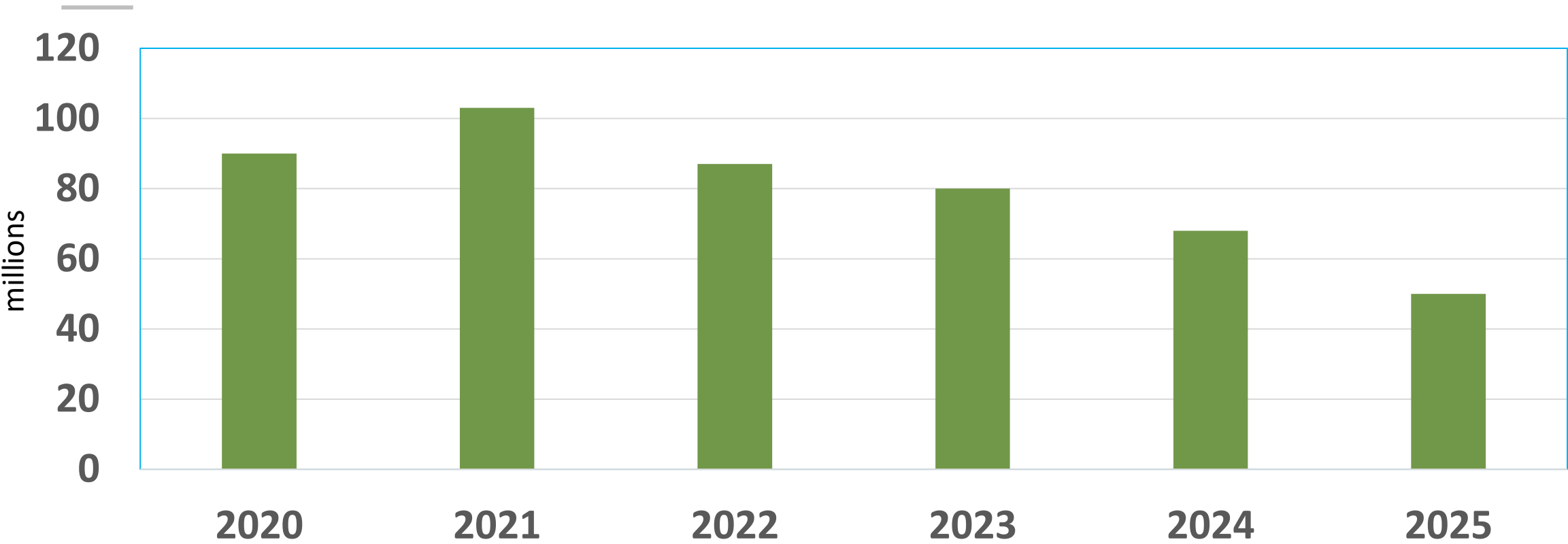


# *statewide cap* multifamily vs. single family



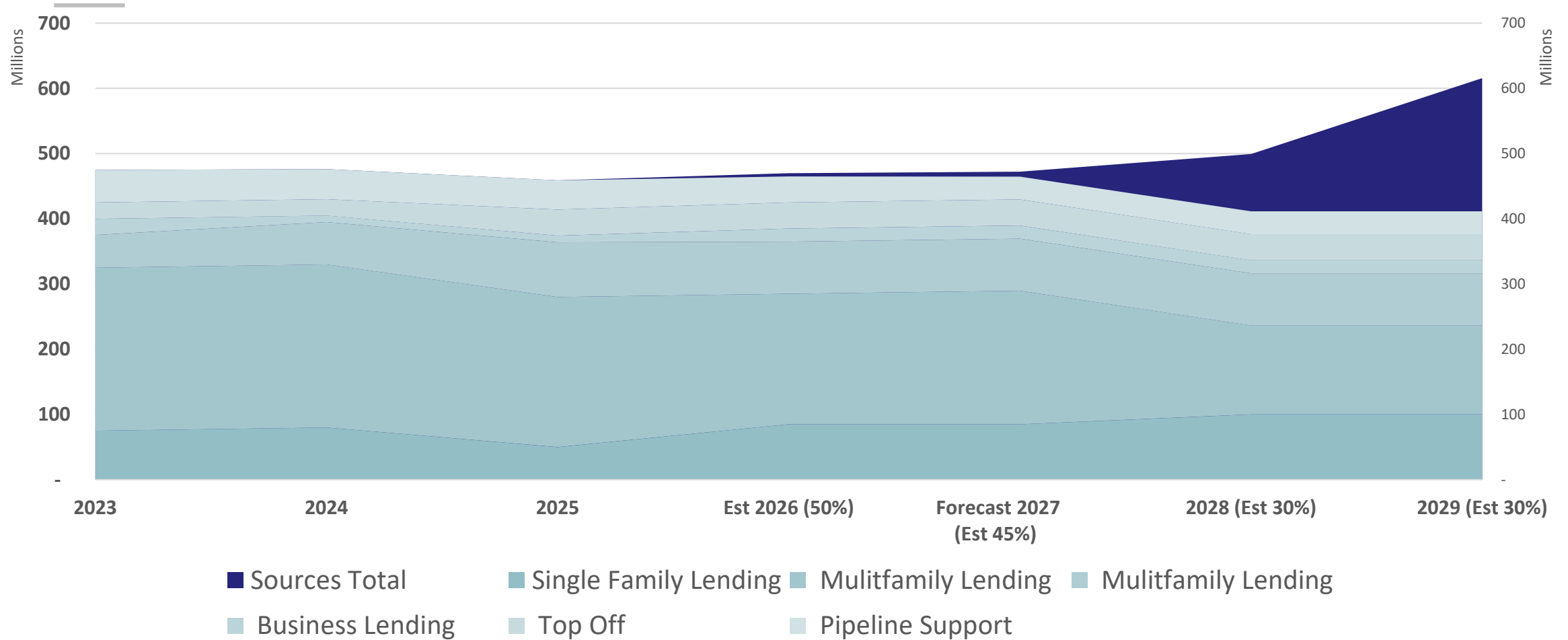
\*Single family leveraged with recycled PAB and taxable bonds

# transfers to chfa

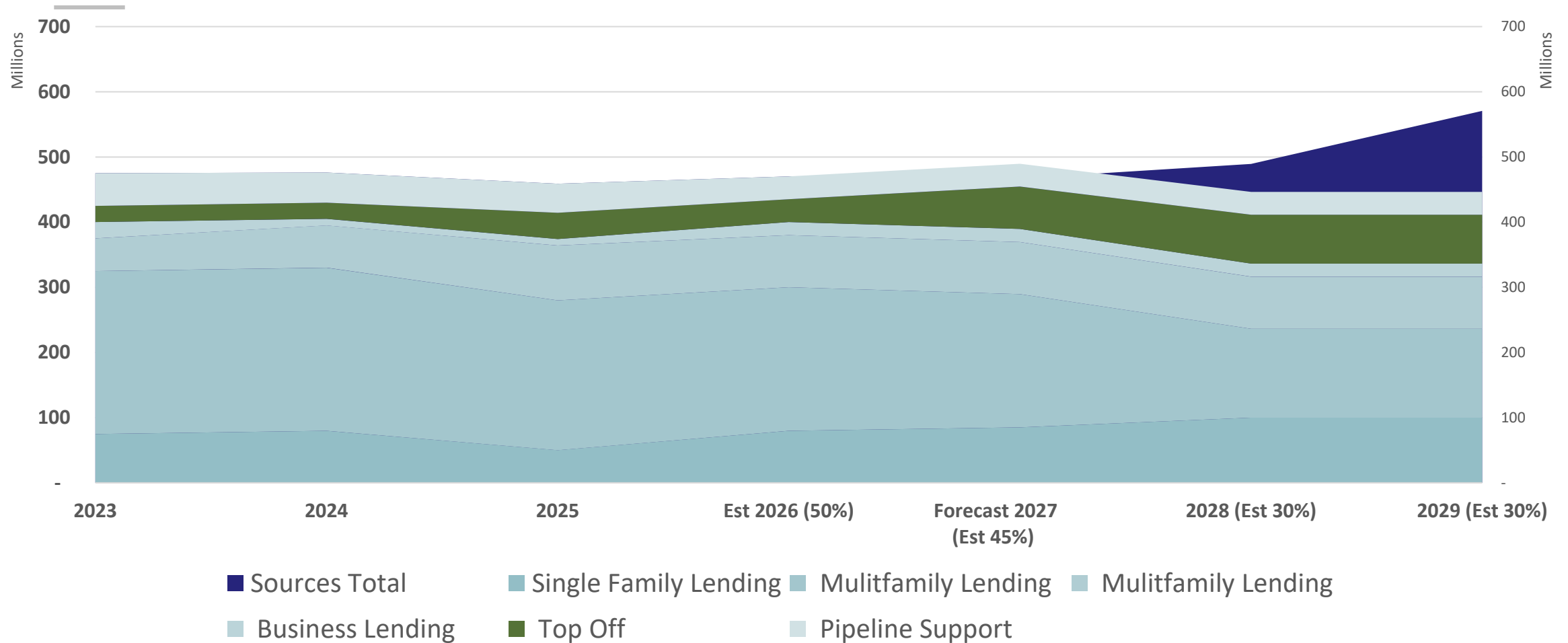


<b>Sources</b>	<u>2025</u>	<u>2026 Draft Budget</u>
State Allocation	376,587,035	390,000,000
Assignments	68,091,182	50,000,000
Unassigned from prior year	<u>14,333,111</u>	<u>30,000,000 (est.)</u>
	459,011,328	470,000,000
<b>Uses</b>		
Single Family Lending	50,000,000	85,000,000
Housing Tax Credit Round Two	230,000,000	200,000,000
Multifamily Lending	84,000,000	80,000,000
Business Lending	10,000,000	20,000,000
Top Off Program	40,236,410	40,000,000
Pipeline Support	<u>44,774,918</u>	<u>40,000,000</u>
	459,011,328	465,000,000

# looking ahead



# looking ahead – top off vs pool



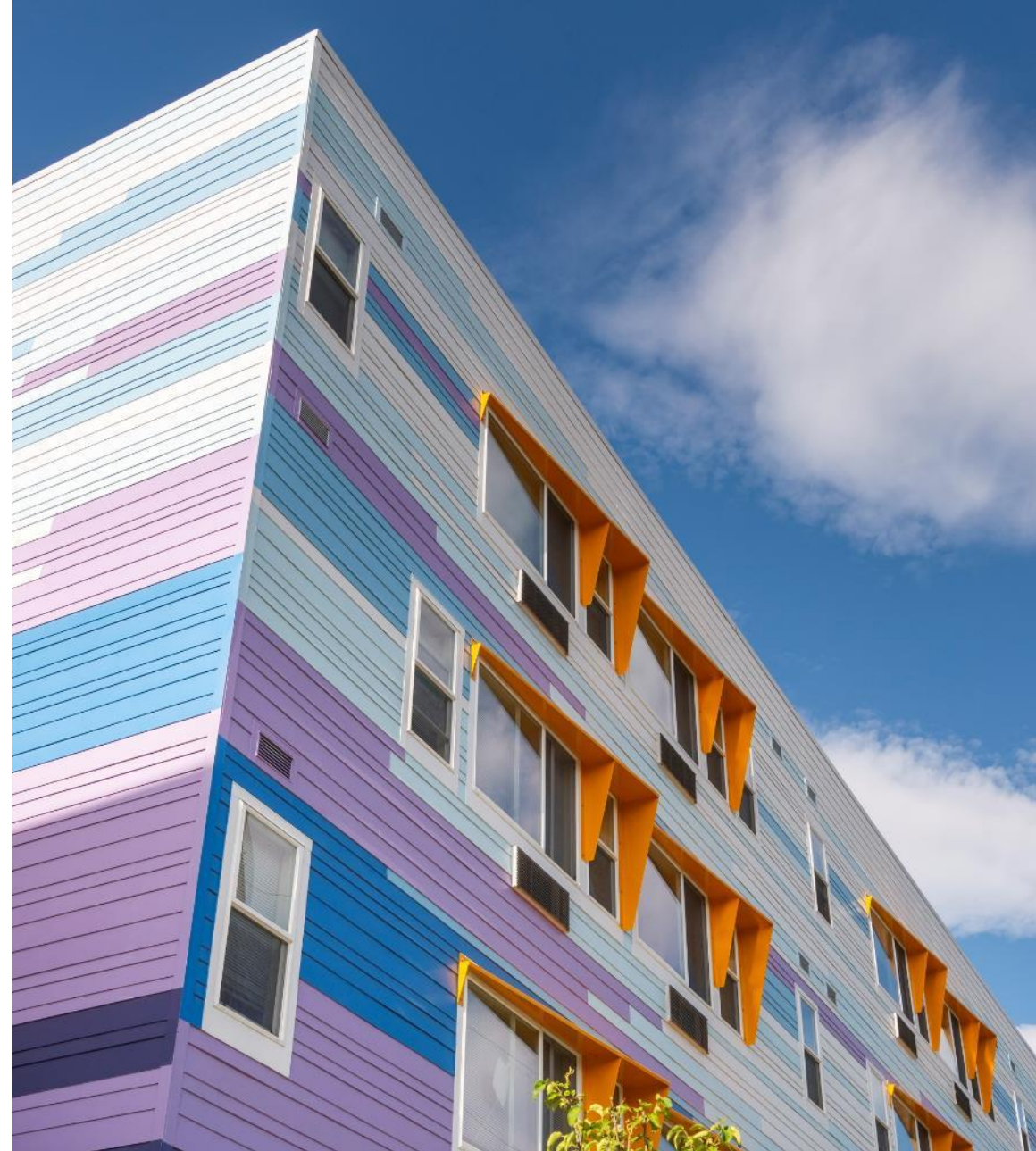
Increasing Top Off Budget to \$65M/ year in 2026 and \$75M/ year in 2027 and 2028



# pab recycling

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- CHFA has recycled \$217 in multifamily cap since the program started in 2017
- CHFA can recycle any repayment within Colorado and from any issuer with no carry cost to borrower
- CHFA must document and draw on line before any repayment; please give CHFA two weeks' notice of upcoming repayment





# thank you!

Denver Maw

*Director of Finance*

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