

**BOULDER COUNTY HOUSING AUTHORITY
BOARD RESOLUTION 2025-12**

Approving Purchase of Special Limited Member Interest in Spine Road Affordable Apartments in Gunbarrel, Colorado; Delegating Authority to Executive Director to Sign Transaction Documents

Recitals

- A. Koelbel and Company, a Colorado-based real estate developer (“Koebel”), has offered to BCHA a 0.01% special limited member interest (the “Membership Interest”) in a limited liability company (the “Company”) that will be formed to acquire, own, develop, and operate Spine Road Affordable Apartments in Gunbarrel, Colorado, an unincorporated community in Boulder County (the “Project”).
- B. The Project will (a) be part of a 230-unit housing development located on a 3.22 acre parcel at 4775 Spine Road, Boulder CO (the “Property”) and (b) consist of 65 residential units, with 50 units deed-restricted for occupancy by households earning no more than 60% of the area median income (AMI), 11 units for occupancy by households earning no more than 70% AMI, and four units for households earning no more than 30% AMI.
- C. BCHA will not be required to provide any capital contributions or other financial assistance to the Project during the existence of the Company, except for a capital contribution of \$10, which is the extent of BCHA’s liability in connection with the Company and the Project.
- D. Assuming satisfactory completion of due diligence and preparation of final transaction and related closing documentation in a form acceptable to the Executive Director after input from BCHA’s legal counsel, the Board desires to approve the purchase of the Membership Interest.
- E. The Board desires to delegate to the Executive Director the authority to sign closing documents on behalf of BCHA.

NOW, THEREFORE, THE BOARD RESOLVES THAT:

- 1. The Executive Director is directed to proceed with due diligence on the Property, the Project, the Company, and purchase of the Membership Interest.
- 2. Purchase of the Membership Interest is approved, and the Executive Director is authorized to execute all final transaction and related closing documentation, so long as the Executive Director and BCHA’s legal counsel determine that the following conditions are met prior to or at closing:
 - a. Results of due diligence are satisfactory; and
 - b. The final transaction documents and related closing documentation are acceptable in form and substance and consistent with the terms set forth on Exhibit A.

3. The Board ratifies any actions previously taken by the Executive Director or any other person authorized to act on behalf of BCHA in connection with purchasing the Membership Interest and development and operation of the Project on the Property.
4. The Executive Director is hereby authorized to (a) execute and deliver, on behalf of BCHA, all of the documents described above, and any other agreements, instruments or certificates as the Executive Director and BCHA's legal counsel deem appropriate in connection with purchasing the Membership Interest and development and operation of the Project on the Property, and (b) do any other acts that are consistent with carrying out the intent and purposes of this resolution, as determined by the Executive Director and BCHA's legal counsel.
5. This Resolution shall be effective immediately upon adoption.

[Signature page follows]

This BCHA Resolution passed and approved this ____ day of _____, 2025.

Marta Loachamin
Chair

I hereby certify that the foregoing is a full, true, and correct copy of the Resolution adopted by the Housing Authority of the County of Boulder, Colorado, a public body corporate and politic, at the meeting of said Board in Boulder, Colorado.

ATTEST:

Assistant Secretary to BCHA

EXHIBIT A
Special Limited Member Terms

1. The Project will consist of 65 residential units, with 50 units deed-restricted for occupancy by households earning no more than 60% of the area median income (AMI), 11 units for occupancy by households earning no more than 70% AMI, and four units for households earning no more than 30% AMI.
2. At closing, BCHA will make a \$10 capital contribution to the Company for a 0.01% ownership interest.
3. BCHA's ownership interest may enable the Project to be eligible for an exemption from property taxes and state and local sales and use tax during construction. Once BCHA is admitted to the ownership structure of the Project-owning entity, BCHA will provide Koelbel with property tax and sales and use tax exemption certificates. Koelbel will be responsible for all correspondence and other documentation with the Boulder County Assessor and Colorado Department of Revenue.
4. Koelbel shall pay BCHA at the Project's financial closing:
 - a. an administrative fee of \$15,000 to reimburse BCHA for staff time and internal expenses associated with pre-closing due diligence, negotiations, construction monitoring, and initial lease-up activities, and legal expenses for outside counsel; and
 - b. a one-time payment-in-lieu-of-taxes fee of \$149,000.
5. At least 73% of the developer fee will be deferred over a 13-year period following financial closing.
6. If the Project and Koelbel comply with the terms of any resulting definitive agreement with BCHA, BCHA will remain a limited partner or non-managing member of the Company for 20 years following the conversion of the senior lender's permanent loan ("Compliance Period"). At the end of the Compliance Period, and every year after, BCHA may review the Project's financial viability. If BCHA determines that the Project could meet all financial covenants imposed by the Project's lenders without the property tax exemption, if the Project's lenders do not impose financial covenants, or if BCHA determines that the Project could meet a debt service coverage ratio of 1.15:1.00 without the property tax exemption, then BCHA may withdraw from the Company, in which case the property tax exemption would cease.
7. After the end of the Compliance Period and for two years after, BCHA will have a purchase option and right of first refusal to purchase the Project for outstanding secured debt plus the investor's anticipated exit taxes.
8. The Project must comply with all affordability restrictions placed on the Project at closing. Any change in the Project's affordability restrictions will require BCHA's consent.
9. BCHA may inspect the Project and the Project's books and records at reasonable times after providing Koelbel with reasonable advanced notice.
10. Koelbel must provide BCHA with all Project-related documents within thirty days after closing and later Project-related documents upon BCHA's request.

- 11.** Koelbel must (a) pay to BCHA an annual compliance monitoring fee of \$1,000 and (b) provide BCHA with a rent roll, annual audited financial statements, tax returns, and its auditor's report for the preceding calendar year, in each case, within ninety days after the beginning of each calendar year.
- 12.** Any change in the Project's management, i.e., any change in the general partner, manager, or managing member of the property-owning entity, will require BCHA's consent.
- 13.** The Company's partnership or operating agreement must include a provision that limits BCHA's rights and responsibilities to a standalone agreement and incorporates that standalone agreement by reference. BCHA will not sign the Company's partnership or operating agreement.
- 14.** The agreement will provide the Project's investor and lenders with reasonable notice and cure rights.
- 15.** BCHA will provide Koelbel with BCHA's organizational documents, authorizing resolutions, and a fact and incumbency certificate before closing. BCHA will not provide legal opinions.