

## AGENDA



Thursday, June 21, 2007

**Neighborhood Housing and Community Development  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 14**

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**Subject:** Approve a resolution to support the Travis County Housing Finance Corporation's Single-Family Mortgage Revenue Bond and Refunding Series 2007 Bond, and authorize the origination of mortgages inside the Austin city limits with bond proceeds from the refunding.

**Fiscal Note:** There is no fiscal impact, a fiscal note is not required.

**For More Information:** Paul Hilgers, Director, Neighborhood Housing and Community Development, 974-3108

**Prior Council Action:** Council approved similar action for a prior refunding on March 23, 2006.

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Council is requested to approve a resolution granting the Travis County Housing Finance Corporation (TCHFC), a governmental entity created by Travis County, the right to issue mortgages for the financing of affordable housing in the City of Austin/Travis County with proceeds from the TCHFC Single Family Mortgage Revenue Bond and Refunding Series 2007 Bond Program.

It is estimated that TCHFC will issue \$17.5 million of refunding mortgage revenue bonds, which should provide affordable mortgages to approximately 130 families throughout Austin and Travis County. Approval of this action for loan originations inside the Austin city limits would be subject to the following requirements:

1. All newly constructed housing would need to be S.M.A.R.T. Housing certified.
2. Applicants to the program would need to attend a homeownership training class.
3. The maximum purchase price of homes assisted by the new TCHFC Travis County bond program would not exceed the Austin Mortgage Credit Certification Program limits (\$210,375).
4. Lenders only begin originating loans in Austin after January 1, 2008.

Approval of this action would satisfy Neighborhood Housing and Community Development's (NHCD) Departmental priority to promote homeownership by providing financial assistance to low and moderate income households by providing below market interest rate loans. There is no fiscal impact associated with this item.

TCHFC may only utilize the proceeds of this refunding bond issue to make loans inside the Austin city limits if this action is approved. Origination of TCHFC mortgages in Austin will not impact Austin's place on the Texas Bond Review Board waiting list for single family private activity volume cap. Council

approval will satisfy State Attorney General regulations requiring consent from the governmental body of the population benefiting from a bond issue.