



RBA:
CITY OF AUSTIN
RECOMMENDATION FOR BOARD ACTION

AGENDA ITEM NO: 1
AGENDA DATE: 09/10/2007
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SUBJECT: Approve a resolution adopting the Fiscal Year 2007-2008 Austin Housing Finance Corporation Grant Operating Budget in the amount of \$10,204,192, and Housing Assistance Fund Budget in the amount of \$150,000 for a total budget of \$10,354,192; directing staff to develop program guidelines for the named housing programs for Fiscal Year 2007-2008, and establishing administrative approval limits for the General Manager

AMOUNT & SOURCE OF FUNDING: The sources to fund the annual AHFC budget include: (1) Grant Operating Budget - \$617,253 from the City of Austin's Neighborhood Housing and Community Development Housing Operating Fund; \$1,043,000 from the City's Housing Trust Fund; \$261,156 from the City's UNO Housing Trust Fund; \$44,000 from the City's SMART Housing™ Capital Improvement Project Fund; \$3,803,080 from the City's HUD HOME Program; \$2,534,536 from the City's HUD Community Development Block Grant; \$101,815 from the City's HUD American Dream Down Payment Grant; \$236,507 generated from HUD Community Development Block Grant Program Income; \$1,565,845 generated from HUD HOME Program Income (2) \$150,000 from the AHFC Housing Assistance Fund.

FISCAL NOTE: A fiscal note is attached

REQUESTING **DIRECTOR'S**
DEPARTMENT: Austin Housing Finance Corporation **AUTHORIZATION:**

FOR MORE INFORMATION CONTACT: Paul Hilgers, Treasurer, Austin Housing
Finance Corporation, 974-3108

PRIOR BOARD ACTION:

PRIOR COUNCIL ACTION:

This action adopts the 2007-2008 Grant Operating Budget and Housing Assistance Fund Budget for the Austin Housing Finance Corporation (AHFC). The annual budget resolution also directs staff to implement program guidelines for the budgeted housing programs, authorizes the transfer of budget authority from one line to another in limited amounts, and authorizes the General Manager to administratively approve certain projects less than \$300,000 (\$250,000 for real estate sales or acquisitions).

The City Council created the AHFC in 1979 as a public, non-profit corporation to facilitate the financing and development of affordable housing for low- and moderate-income residents. AHFC administers affordable housing programs described in the attachments to this document. U.S. Department of Housing and Urban Development grant funds provided by the City provide the bulk of AHFC grant funds. The AHFC Housing Assistance Fund was established in 1988 from a residual value bond program that provided \$7.5 million in initial funding.

AHFC will provide housing solutions through programs, projects, and relationships. The AHFC goals for Fiscal Year 2007-2008 are:

- 1. Optimize opportunities for quality affordable housing in Austin.
- 2. Provide leadership and expertise to promote affordable housing in Austin.
- 3. Increase the sustainability of AHFC.

In addition to administering bond programs, AHFC will administer the Homebuyer Program, the Rental Housing Program, and the Owner-Occupied Housing Program. AHFC is the responsible entity for the production goals of S.M.A.R.T. HousingSM. AHFC is also currently administering the Mortgage Credit Certificate Program that serves families with incomes of no more than 115% of the Austin Median Family Income (currently \$81,793 for a family of four), and provides a tax credit of up to \$2,000 per year for the life of the mortgage loan.

Employees of the City's Neighborhood Housing and Community Development Office manage the operation of AHFC through an annual service agreement. AHFC offices are located in the Neighborhood Housing and Community Development Office.