



RBA:
CITY OF AUSTIN
RECOMMENDATION FOR BOARD ACTION

AGENDA ITEM NO:
AGENDA DATE: 9/10/2007
PAGE: 1 OF 2

SUBJECT: Approve a resolution adopting the Fiscal Year 2007-2008 Austin Housing Finance Corporation General Obligation Capital Improvement Budget in the amount of \$8,500,000 to provide affordable housing programs funded with City of Austin general obligation bond housing funds; 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: Funding in the amount of \$8,500,000 will be provided by the future issuance of City of Austin general obligation housing bonds, approved by the voters on November 7, 2006

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 General Obligation Capital Improvement Budget for the Austin Housing Finance Corporation (AHFC) and appropriates a budget of \$8,500,000. These funds will increase rental and homeownership opportunities for low-income residents of Austin. A service agreement will be negotiated and approved by the City of Austin in an amount not to exceed \$8,500,000.

An appropriation in the amount of \$5,100,000 will be available for the rental housing program. Eligible activities for the rental housing program may include but not be limited to permanent housing with supportive services, special needs housing and affordable rental housing through acquisition, development, construction and rehabilitation. The income level to be served in this program will be at 50% or below median family income (currently \$35,550 for a family of four) with a target of below 30% median family income. A per unit subsidy of \$40,000 is estimated with approximately 120 households estimated to be served.

An appropriation in the amount of \$3,400,000 will be available for the homeownership program. Eligible activities for the homeownership program may include but not be limited to community land trust and affordable homeownership through acquisition, development, construction and rehabilitation. The income level to be served in this program will be at 80% or below median family income (currently \$56,900 for a family of four) with a target of 50% - 65% of median family income. A per unit subsidy of \$50,000 is estimated with approximately 60 households estimated to be served.

The AHFC was created by the City Council in 1979 as a public non-profit corporation to facilitate the financing and development of affordable housing for low-and moderate-income residents. As an instrumentality of the City, the AHFC administers affordable housing programs using federal grant funds from the U. S. Department of Housing and Urban development passed through the City, the City's Housing Trust Fund, and the S.M.A.R.T. Housing^{1st} Capital Improvement Fund. The Corporation administers numerous housing programs for the City including assisted housing, rental housing, homebuyer services and owner-occupied services.