



RBA
CITY OF AUSTIN
RECOMMENDATION FOR BOARD ACTION

AGENDA ITEM NO: 2
AGENDA DATE:12/6/07
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SUBJECT: Approve negotiation and execution of one or more construction contracts with ILCOR HOMES, INC , Austin, Texas, to build ten single-family homes on lots located in the Montopolis Frontier at Montana Subdivision, in a total amount not to exceed \$1,039,480 00 for all contracts

AMOUNT & SOURCE OF FUNDING: Funding is available from the Grant Operating budget, from HOME Investment Partnership and HOME Match Acquisition and Development program for Fiscal Year 2007-2008

FISCAL NOTE: There is no unanticipated fiscal impact

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

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

PRIOR BOARD ACTION:

PRIOR COUNCIL ACTION:

BOARD AND COMMISSION ACTION: N/A

PURCHASING:

MBE / WBE:

These construction contracts will provide for the new construction of 10 single-family homes in the Frontier at Montana Subdivision, located in the Montopolis neighborhood, and will be sold to homebuyers with low to moderate incomes. The construction contracts allow for 150 calendar days for completion of the project. AHFC anticipates closing the sale of the homes in the spring of 2008. This project is being developed under the AHFC Acquisition and Development Program in compliance with all applicable federal requirements, including 24 CFR Part 85.40 performance goals.

Upon completion, the Frontier at Montana Subdivision will include 81 single-family, affordable, homeownership units. AHFC plans to build 30 homes in the subdivision, 16 of which will be included in a Community Land Trust (CLT) or other shared equity model. Fifty-one homes will be built by non-profit organizations and other qualified builders. Habitat for Humanity has completed nine of 30 homes in the subdivision, and American Youthworks has two of five homes under construction.

Homes will be sold to homebuyers earning 80 percent of the Austin-area Median Family Income (MFI) or below, currently \$56,900 for a family of four. AHFC's goal is to increase homeownership opportunities for low and moderate income families living in the Montopolis neighborhood. Through AHFC's homeownership programs and those of other non-profits, it will be possible to provide homeownership opportunities to residents earning 60 percent of the Austin MFI or less.

This activity is consistent with the FY2007/2008 Action Plan as identified under the AHFC Acquisition and Development Program.

ILCOR HOMES, INC. submitted the lowest bid to construct the homes in accordance with the plans and specifications for the homes. ILCOR HOMES, INC. is a local builder that has built and remodeled homes throughout the state.

Additional Back Up will include the contract bid tabulations.